

GOVERNMENT OF INDIA

MINISTRY OF COMMERCE AND INDUSTRY



सत्यमेव जयते

R E P O R T
OF THE
T A R I F F C O M M I S S I O N
ON THE
V O O L E N H O S I E R Y I N D U S T R Y

BOMBAY

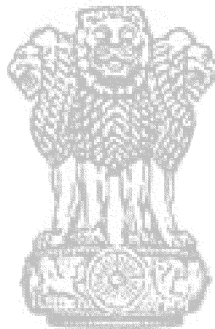
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CONTENTS

Para.	Page
1. Origin of the case.	1
2. Terms of reference.	2
3. Method of inquiry	4
4. Previous tariff inquiry (1935).	5
5. Present position of the industry.	6
6. Rated capacity.	11
7. Production.	13
8. Imports of woollen hosiery, import control policy and import duty	15
9. Domestic demand	16
10. Quality of indigenous woollen hosiery	16
11. Supply and prices of woollen yarn	
(a) (i) Requirements	17
(ii) Production	18
(iii) Quality.	23
(iv) Imports, import control policy, import duty and export control policy	24
(v) World prices of wool tops and woollen yarn	26
(b) Cost of production of indigenous woollen hosiery yarn.	28
(c) Landed costs and their comparison with the fair ex-mill prices	33
(d) Question of abolishing or reducing the import duty on woollen hosiery yarn.	33
12. Competition between mills and knitters.	38
13. Cost of production of indigenous woollen hosiery.	41
14. Landed costs of imported woollen hosiery articles and their comparison with the fair ex-works prices of the indigenous products.	43
15. Claim to protection	46
16. Other recommendations	
(a) Exports of hosiery goods.	47
(b) Need for co-operative societies of knitters	47
17. Summary of conclusions and recommendations.	47
18. Acknowledgements.	50

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सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

RESOLUTION
(Tariffs)

New Delhi, the 13th September, 1952.

No.36(3)-T.B./52.- The Tariff Commission has conducted an enquiry into the claim for protection and assistance to the Woollen Hosiery Industry and submitted its Report. Its recommendations are as follows:-

- (1) The woollen hosiery industry does not need protection against foreign competition.
- (2) The import duty on woollen hosiery yarn should not be reduced for the present. The question may be reconsidered when world prices of wool and woollen yarn attain some measure of stability and the spinning mills which have been recently set up have had sufficient time to consolidate their position.
- (3) A careful watch should be maintained over the prices of woollen hosiery yarn and if there is evidence of any undue rise in the prices of such yarn which is likely to have serious repercussions on the production and employment in the woollen industry, the question of reducing the import duty on such yarn should be taken up for urgent consideration.
- (4) Knitting needles are not made in India. Early steps should be taken to encourage their manufacture in the country.
- (5) The Ludhiana industry has at present no facilities for 'woolindras' treatment. The 'woolindras' plants in some of the woollen mills, however, have spare capacity which can be utilised for processing the hosiery articles manufactured by the Ludhiana industry. Government should assist the industry to come to suitable arrangement with the mills concerned for this purpose.
- (5) When standard specifications are formulated, adequate steps should be taken to secure their adoption by the hosiery units, many of whom are small and probably unaccustomed to standardised methods of production.

- (7) As a cottage industry which has demonstrated its ability to face competition with the large-scale industry, the hosiery industry deserves all possible encouragement. The mills should co-operate with Government in promoting the development of this industry.
- (8) Government orders for hosiery goods should be placed with knitters to the maximum extent possible and all possible assistance should be given to knitters in overcoming their difficulties in conforming to Government specifications.
- (9) In negotiating any trade agreements with the neighbouring countries, the desirability of securing facilities for the export of Indian hosiery goods to those countries should be kept in view.
- (10) The State Governments concerned should give all possible assistance to this important cottage industry in modernising its equipment and adopting improved processes of manufacture.
- (11) The Punjab Government should make special efforts to encourage the growth of co-operative societies among the knitters at Ludhiana.
- (12) Those spinning mills which do not have proper arrangements for the selection and testing of their raw materials should institute such arrangements as early as possible.
- (13) The spinning industry should explore the possibility of setting up a Central Conditioning House for testing samples of wool tops and yarn.
- (14) The Federation of Woollen Manufacturers should take suitable steps to ensure that prices of woollen hosiery yarn produced by its member mills are maintained at a reasonable level.

2. Government accept all the recommendations and will take steps to implement them as far as possible.

3. The attention of the Industry is invited to recommendations Nos. (7) and (12) to (14).

K.N. Kaul,

Joint Secretary to the Government of India.

REPORT ON THE WOOLLEN HOSIERY INDUSTRY

The Northern India Hosiery Manufacturers' Corporation, Origin of Ludhiana, in their letters dated 19th April, 1950 the case. and 9th May, 1950, to the Government of India in the late Ministry of Commerce, represented that the hosiery industry at Ludhiana was experiencing serious difficulties owing to the shortage and high prices of woollen hosiery yarn. The Corporation stated that since both woollen hosiery yarn and hosiery articles were subject to the same rate of duty, namely, 30 per cent. *ad valorem*, the cottage industry had virtually no protection against foreign competition. Further, the duty on woollen hosiery yarn operated as a special handicap for the cottage industry in its competition with mills since the latter could import wool tops free of duty. The Corporation, therefore, requested Government to take the following measures:-

- (i) abolition or at least a substantial reduction of the import duty on woollen hosiery yarn;
- (ii) adoption of a more liberal policy in regard to imports of woollen hosiery, yarn, especially from Japan; and
- (iii) a suitable increase in the import duty on hosiery goods.

The question of protection or assistance to the hosiery industry was referred to the Tariff Board for investigation

the Government of India in the late Ministry of Commerce by their Resolution (Tariffs) No.1-T/A(7)/49, dated 14th October, 1950 (Appendix I). By a subsequent letter No.1-T/A(7)/49 dated 22nd February, 1951, the Government of India in the Ministry of Commerce and Industry explained that the scope of the inquiry should be restricted to the woollen hosiery industry only (Appendix II). This reference was pending with the Tariff Board when the latter was succeeded by the Commission. The Commission has, therefore, taken it over under Section 26 of the Tariff Commission Act, 1951.

2. The present case falls under Section 11(i) (a) of the Terms of Tariff Commission Act (the grant of protection for reference. the encouragement of any industry) and is governed by Section 14 of that Act [principles to be taken into account in making any inquiry under Section 11(i) (a)]. Under the latter Section, the Commission is to have, among other matters, due regard to:-

- (a) the cost of production or manufacture in the principal growing, producing or manufacturing regions of India of the commodity produced by the industry claiming protection and the cost which should be taken to be representative of the industry concerned;
- (b) the approximate cost of production of manufacture in the principal growing, producing or manufacturing centres of foreign countries of the commodity which competes with the commodity produced by the industry claiming protection, if the determination of such cost is necessary for the purpose of any case;
- (c) the approximate cost of import of any such competing commodity as is specified in clause (b);
- (d) the price which may be deemed to be the representative fair selling price for growers, producers or manufacturers in India in respect of the industry claiming protection;

- (e) the quantities of the commodity required for consumption and the quantities thereof produced in, or imported into, India;
- (f) the effect of protection, if granted to an industry, on other industries, including cottage and other small-scale industries.

On the basis of its findings on the points referred to above, the Commission is to assess for the purpose of its report:-

- (a) the relative advantages enjoyed by the industry;
- (b) the nature and extent of foreign competition;
- (c) the possibility of the industry developing sufficiently within a reasonable time to be able to carry on successfully, without protection;
- (d) the likely effect of a protective tariff or other form of protection on the interests of the consumer or of industries using the commodity in question, as the case may be; and
- (e) the desirability or otherwise of protecting the industry in the public interest.

Section 14 further provides that in recommending the grant of protection to any industry, the Commission may specify the conditions which shall be fulfilled before and after the grant of protection with particular reference to the following points, namely:-

- (a) the scale of output;
- (b) the quality of the products;
- (c) the price charged for the products;
- (d) the technological improvements required by the industry;
- (e) the need for research in the process of manufacture;

- (f) the training of officers, technicians and other persons employed in the industry;
- (g) the use in the industry of indigenous products, whether raw or manufactured;
- (h) the time within which an industry in respect of which protection has been given in advance of production, should start production; and
- (i) any other matter in respect of which the Commission considers it necessary to specify conditions.

3.(a) The Tariff Board issued a press communique on 20th May, 1951 inviting all persons, firms and associations interested in this industry to communicate their views on the question of protection or assistance to the industry. Separate questionnaires were issued to all known producers and importers and to certain large consumers of hosiery goods. The State Governments, Chambers of Commerce and trade associations were requested to send memoranda on this subject. The Ludhiana Hosiery Industry Federation was addressed for information about the hosiery units in Ludhiana. Data regarding the c.i.f. prices and landed costs of woollen yarn and hosiery were collected from the Collectors of Customs. The Indian Trade Commissioners abroad were requested to furnish information regarding the progress of the woollen hosiery industry and the assistance granted by the State in the countries in their jurisdiction. Steps were taken to collect data regarding the supply and prices of wool tops and woollen hosiery yarn. The woollen mills and the Federation of Woollen Manufacturers in India were invited to express their views on the desirability or otherwise of abolishing or reducing the import duty on woollen hosiery yarn. Statistics regarding imports of wool, woollen yarn and woollen hosiery goods were obtained from the Director-General of Commercial Intelligence and Statistics, Calcutta and those regarding prices of wool and woollen yarn from the International Wool

Secretariat, New Delhi. The Ministries of Food and Agriculture, and Works, Production and Supply, Government of India, furnished information on certain aspects of the inquiry. A list of persons and bodies to whom questionnaires were addressed and from whom replies or memoranda were received is given in Appendix III.

(b) Dr. B.V. Narayanaswamy Naidu, Member, and Shri B.R. Sehgal, Assistant Secretary, visited the Western Hosiery Factory in Delhi on 3rd July, 1951 and the Pearl Hosiery Factory, the Kishore Hosiery Factory, the Mohini Hosiery Factory, the Oswal Woollen Mills, the Kalsi Mechanical Works and the Government Hosiery Institute, at Ludhiana on 4th July, 1951. Dr. Naidu also visited the Cawnpore Woollen Mills, Kanpur, on 10th September, 1951. Shri B.R. Sehgal visited the Paradise Hosiery Factory, Bombay, and the Mahaluxmi Woollen Mills, Bombay, in August, 1951. Shri B.N. Adarkar, Member, and Dr. D.K. Malhotra, Secretary, visited the Oswal Woollen Mills, the Kalsi Mechanical Works, the Government Hosiery Institute and three hosiery factories, namely, Pearl, Jain and Greatway, at Ludhiana, on 26th and 27th March, 1952. Shri S.V. Rajan, Assistant Cost Accounts Officer, examined the cost of production of woollen hosiery goods at four units at Ludhiana, namely, Sutlej, Mohini, Kishore and Greatway, and the cost of production of woollen hosiery yarn at the Oswal Woollen Mills, Ludhiana, in September, 1951. He also examined the cost of production of woollen hosiery yarn at the Bombay Woollen Mills, Thana, Bombay, in March, 1952 and the costs of production of both yarn and hosiery articles at the Mahaluxmi Woollen Mills, Bombay, in April, 1952. A public inquiry into the industry was held at the Commission's office in Bombay on 17th and 18th April, 1952. A list of persons who attended the inquiry and gave evidence is given in Appendix IV.

4. The question of protection to the woollen hosiery industry was examined by the Indian Tariff Board in 1935 in connection with its inquiry into the woollen textile industry. The Board came to the

conclusion that the indigenous hosiery goods did not meet with any serious competition from imports from the United Kingdom which were priced higher and consisted mostly of types and qualities not made in India. Some measure of protection was needed against imports from Japan, but the Board considered that the then existing revenue duty of 35% *ad valorem* was high enough for the purpose. In the case of socks and stockings only, the Board recommended an alternative specific duty of Rs. 1-2-0 per pound. The Government of India did not accept this recommendation on the ground that the industry was dependent on imported raw materials and did not, therefore, satisfy the first condition laid down by the Fiscal Commission in 1922. An alternative specific duty of Rs. 1-2-0 per pound was later imposed on woollen hosiery and knitted apparel as a revenue measure. As regards woollen yarn, the Board did not recommend a protective duty on the ground that the domestic production of yarn was insufficient to meet the requirements of consuming industries, particularly, the hand-loom and the hosiery industries.

5.(a) Although the hosiery industry is one of the older industries of India, the first hosiery factory having been established at Ludhiana in 1884, the manufacture of woollen hosiery was started on an extensive scale only during the first World War. Till then, the only woollen hosiery unit in existence was the one in the New Egerton Woollen Mills, Dhariwal, which was started as early as 1902. The stoppage of imports during the first World War and the demand from the Defence Services induced the hosiery factories in the Punjab to take up the manufacture of woollen hosiery goods. From 1928, the industry grew rapidly, mainly because of the fillip given by the Swadeshi movement and owing to the availability of cheap merino yarn from Japan. Until the outbreak of the second World War, merino yarn was imported from Japan in large quantities at very low prices and hosiery articles made from such yarn found a ready market in the country. During the second World War, the shortage and high prices of yarn resulted in

a marked reduction in the civilian demand for woollen hosiery articles. The industry, however, received large orders for military requirements and arrangements were made by the Government of India to import the necessary yarn and supply it to the industry. After the end of the war, the volume of military orders declined and this made it uneconomical for Government to continue the war-time arrangements for distribution of woollen yarn. There was a sharp rise in the world prices of wool and woollen yarn after the beginning of the Korean War in June, 1950. The woollen hosiery units at Ludhiana and other centres were unable to obtain their requirements of woollen yarn and many of them had either to switch over to the use of cotton yarn or to close down altogether. From April 1951, however, the prices of woollen yarn began to fall and the decline continued upto the time of the present inquiry. The fall in the prices of woollen yarn has afforded much relief to the woollen hosiery industry.

(b) The Tariff Board, in its report on the woollen textile industry (1935), estimated the number of woollen hosiery units in different provinces as follows:-

	Power	Non-power
Punjab.	42	132
U.P.	6	33
N.W.F.P.	2	3
Delhi	7	3
C.P.	--	1
Bengal.	10	90
Bombay.	5	0
Kashmir	0	2
TOTAL	<u>73</u>	<u>264</u>

The industry has expanded considerably after 1935. It is still unorganised and consists of very small units, and consequently, detailed and accurate information about several aspects of the industry is not available. However, on the basis of the data available to the Commission, the

total number of units, excluding mills, is estimated at present at 875, distributed as follows:-

Punjab	843	(Ludhiana 805, Amritsar 30, Jullunder 8)
U.P.	10	
West Bengal.	15	
Delhi.	2	
Bombay	5	
TOTAL	875	

The following four woollen mills have woollen hosiery sections:-

- (1) Cawnpore Woollen Mills, Kanpur;
- (2) New Egerton Woollen Mills, Dhariwal;
- (3) Raymond Woollen Mills, Bombay; and
- (4) Mahaluxmi Woollen Mills, Bombay.

We understand that the Digvijay Woollen Mills, Jamnagar, will have a hosiery section in the near future.

It is estimated that the total capital invested in the woollen hosiery industry, excluding mills, is approximately Rs. 3 crores, of which the Ludhiana units account for a little over Rs. 2.5 crores.

(c) As may be seen from the figures given in (b) above, the industry is mainly concentrated at Ludhiana and details about the organisation of the industry are available for that centre only. Of the 805 units at Ludhiana, those which produce woollen hosiery to the extent of approximately 80 per cent. of their output number 410. The remaining units also produce woollen hosiery but their main interest lies in the manufacture of cotton hosiery. Only 56 units have been registered under the Factories Act and of them, only 45 use electric power. That the Ludhiana industry is predominantly a cottage industry will be seen from the following

statement furnished by the Ludhiana Hosiery Industry Federation, which gives a classification of the units at that centre according to the number of workers employed:-

Number of workers employed	Number of units
100 or more	3
50 - 99	11
20 - 49	42
5 - 19	715
Less than 5	34
TOTAL	<u>805</u>

More than 90 per cent. of the units employ less than 20 workers each. The industry is a seasonal one, the season being July-December. During the off-season period, some of the woollen hosiery units produce cotton hosiery, if cotton yarn is available. During the season, the industry employs about 20,000 workers directly in the establishments and an equal number, mostly women, outside. Certain processes, such as winding, linking, tailoring, etc., are done outside the establishments and provide spare-time employment to women. In the off-season, some of the workers find employment in agriculture in the neighbouring villages. The industry thus forms an important subsidiary occupation of a large number of families at Ludhiana. After partition, the industry had some difficulty in getting skilled labour, but the situation has now improved, since a large number of refugees have been trained both in the factories and at the Government Hosiery Institute at Ludhiana. The Punjab Government have opened a training centre at Ludhiana from the funds provided by the Central Government for rehabilitation of refugees.

The total number of knitting machines of all kinds at Ludhiana is estimated at 6,110. A statement showing machines as classified by types is given below:-

Flat Machines.	805
Circular Machines.	4,545
Raschal Machines	230
Others	530
TOTAL.	<u>6,110</u>

The majority of the machines are of the circular type and are manually operated. The circular machines are mainly supplied by a local firm called the Kalsi Mechanical Works. There are also a few other firms at Ludhiana, e.g., the Punjab Machinery Works Ltd., and the Raj Mechanical Works, which manufacture and repair these machines. The locally made machines have been found satisfactory. About 1,035 machines of foreign make such as flat machines and Raschal looms, are also being used at Ludhiana. These types are not made in the country, but are imported from Switzerland, Japan, the United Kingdom or the United States. We understand that articles made on a flat machine are generally of a better quality than those made on a circular machine. The Raschal loom is a high-speed power-driven machine and yields a higher output per hour than either a flat or a circular machine. Both flat machines and Raschal looms are particularly suitable for the manufacture of jerseys and sweaters, but the majority of the knitters still prefer the circular type, because of its low capital cost. A hand-driven circular machine costs Rs. 400 to Rs. 600, while a hand-driven flat machine costs Rs. 2,000 to Rs. 2,500 and a Raschal loom Rs. 8,000 to Rs. 12,000. Knitting needles are not made in India. We understand from the Kalsi Mechanical Works that they can undertake the manufacture of needles, if necessary finance was available. It is not desirable that the hosiery industry should continue to depend on imports for this essential part of its equipment and we, therefore, recommend that early steps should be taken to

encourage the manufacture of needles in the country. Another important handicap of the Ludhiana industry is the absence of any facilities for 'woolindras' treatment. Woolindras is a process of chlorination designed to make a woollen article shrink-resisting. This treatment is laid down in the Defence Department specifications for socks and stockings and is insisted on by the Defence authorities. Until last year, the Ludhiana units used to get their socks and stockings treated at the woolindras plant of the New Egerton Woollen Mills, Dhariwal, in order to conform to Defence requirements. Last year, however, the New Egerton Woollen Mills discontinued the arrangement and consequently, the Ludhiana knitters failed to secure a large part of Government order for socks and stockings. We discussed this matter with the representatives of the Federation of Woollen Manufacturers who informed us that all the three mills, namely, the Cawnpore Woollen Mills, the New Egerton Woollen Mills and the Raymond Woollen Mills which had woolindras plants, had spare capacity, and that the Federation would be prepared to reconsider the question of providing woolindras facilities to the Ludhiana industry. Since it is beyond the resources of most of the units at Ludhiana to have their own equipment for woolindras treatment, we recommend that Government should assist the Ludhiana industry to come to an arrangement with the woollen mills, so that it might again be able to utilise the surplus capacity available with the mills for such treatment.

6. The Ludhiana Hosiery Industry Federation has **Rated capacity.** estimated the rated capacity of the industry at that centre, expressed in terms of its yarn requirements, at 104.25 lakh lbs. per annum. This represents the maximum quantity of woollen yarn which the industry could consume on single shift basis, if it were engaged in the production of woollen hosiery only, throughout the year. (It is the practice in this industry to maintain production statistics either in terms of the value of the finished product or of the quantity of yarn consumed.) The Ludhiana

industry, however, is actually engaged in the production of woollen hosiery for only six months in a year, from July to December, since there is no appreciable demand for woollen hosiery in this country in other months. Further, as stated in paragraph 5 (c) above, out of the 805 units at Ludhiana, only 410 units produce woollen hosiery to the extent of 80 per cent. of their output and the remaining units are mainly interested in the production of cotton and other kinds of hosiery. The proportion of the total capacity actually used for the production of woollen hosiery at any time depends partly on the margin of profit available on woollen hosiery as compared with other kinds of hosiery and partly on the availability of woollen yarn. It has not been possible for us to verify the estimate of rated capacity furnished by the Ludhiana Hosiery Industry Federation. But apart from this estimate, there is ample evidence to show that the industry at Ludhiana has considerable potential capacity which could be brought into use, if the demand for woollen hosiery increased, either through an expansion of the home market or the development of the export trade, and if sufficient supplies of woollen yarn were available. No information is available about the capacity of the woollen hosiery units (other than woollen mills) at places other than Ludhiana, but we understand that it is likely to be about 10 per cent. of the capacity at Ludhiana.

The annual rated capacity of each of the four woollen mills having hosiery section, according to the data furnished to the Commission, as based on a single shift of 8 hours working, is as follows:-

	Capacity in lakh lbs. per annum
1. Cawnpore Woollen Mills, Kanpur.	4.50
2. New Egerton Woollen Mills, Dhariwal . . .	4.50
3. Raymond Woollen Mills, Bombay	2.00
4. Mahaluxmi Woollen Mills, Bombay	2.13
Total	<u>13.13</u>

If these mills work for full three shifts, their rated capacity would be 39.39 lakh lbs. per annum.

7. According to the figures supplied by the Ludhiana Hosiery Industry Federation, the production of woollen hosiery at Ludhiana, in terms of the quantity of woollen yarn consumed, was 27.03 lakh lbs. in 1949, 17.60 lakh lbs. in 1950 and 17.47 lakh lbs. in 1951. A breakdown of these figures according to different types of hosiery is given below:-

(In lakh lbs.)					
Year	Outerwear	Footwear	Neckwear	Miscellaneous	Total
1949	19.45	3.33	-	4.25	27.03
1950	12.07	2.03	2.25	1.25	17.60
1951	11.22	2.39	1.20	2.57*	17.38

Note.- *This includes 1.90 lakh lbs. exported to Burma, for which details are not available.

Woollen yarn was on Open General Licence during 1948-49 and consequently, ample supplies of woollen yarn were available in 1949. This explains the comparatively higher production in that year. The Director of Industries, Punjab, has supplied us with the following figures of the production of woollen hosiery at Ludhiana, in terms of value, for each year from 1941 to 1950:-

Year	In lakh of Rs. (approx.)					
1941	110
1942	200
1943	137
1944	156
1945	210
1946	182
1947	54
1948	123
1949	156
1950	205

We understand from the Ludhiana Hosiery Industry Federation that the Ludhiana industry attained its maximum output in 1945 when it consumed approximately 50 lakh lbs. of yarn. This was largely due to Government orders.

Statistics of production at other centres (except production by mills) are not available. The total production at all centres other than Ludhiana (excluding mill production) is, however, estimated at one-tenth of that at Ludhiana.

The following table shows the production of woollen hosiery by the woollen mills from 1949 to 1951:-

Name of the mill	Production in lbs.		
	1949	1950	1951
Cawnpore Woollen Mills, Kanpur.	9,10,000	8,04,000	2,78,000
New Egerton Woollen Mills, Dhariwal.	41,536	1,51,128	36,298
Raymond Woollen Mills, Bombay.	1,91,000	68,500	66,193
Mahaluxmi Woollen Mills, Bombay.	2,02,895	1,31,500	58,803
Total:	13,45,431	11,55,128	4,39,294

Production figures for the mills, unlike those for the hosiery industry, represent the weight of the finished products and not the weight of the yarn consumed. On the basis of the above data, the total production of woollen hosiery in India during the last three years, after converting the figures for the hosiery industry into weight of the finished products, is estimated as follows:-

	(Figures in lakh lbs.)		
	1949	1950	1951
Hosiery units at Ludhiana	22.16	14.56	14.39
Hosiery units at other centres (estimated)	2.22	1.46	1.44
Woollen Mills	13.45	11.55	4.39
Total	37.83	27.57	20.22

8.(a) A statement showing the quantity and value of Imports of Woollen Hosiery, Import control policy and import duty. woollen hosiery goods imported into India since 1937-38, as shown in the Accounts relating to the Foreign Sea and Air-Borne Trade and Navigation of India" is given in Appendix V. The maximum quantity of woollen hosiery imported in any year during the last decade was 1.83 lakh lbs. in 1946-47. Imports in 1949-50 and 1950-51 were 50,536 lbs. and 87,218 lbs. respectively. During the nine months from April to December, 1951, only 44,476 lbs. of woollen hosiery were imported. Most of the imports came from the United Kingdom and consisted of types and qualities not comparable with those which constitute the bulk of domestic production.

(b) As regards the import control policy relating to woollen hosiery, licences were granted to established importers, subject to a monetary ceiling, for imports from soft currency countries, during January-June, 1950. During July-December, 1950, established importers were given a quota of 100 per cent. of one-half of their best year's imports, for soft currency sources and a quota of 200 per cent. for Switzerland. During the following period, the basis of licensing imports from soft currency sources was unchanged and no licences were issued for other sources. The value of licences issued in January-June, 1951 was doubled in July-December, 1951. During the licensing period, January-June, 1952, licences were issued on the same basis as in the corresponding period of 1951. The licensing policy for July-December, 1952, provides for issue of import licences for woollen hosiery excluding socks and stockings to established importers only to the extent of 75 per cent. of their best year's imports from soft currency areas.

(c) Woollen hosiery goods are assessed to duty under item 51(1) of the First Schedule to the Indian Customs Tariff. The relevant extract from the 35th issue of the Schedule is given below:-

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate
51(1)	Woollen hosiery and woollen knitted apparel, that is to say, all hosiery and knitted apparel containing not less than 15% wool by weight.	Revenue	25% ad valorem or Rs.1-2-0 per lb. whichever is higher Plus one-fourth of the total duty.	12½% ad valorem for Burma only.

*The additional surcharge of 5% leviable under the Finance Act, 1951 is included.

9. From the estimates given in paragraph 7 above, it will be seen that the average annual production of woollen hosiery in India during 1949 and 1950 was of the order of 33 lakh lbs. During 1949-50 and 1950-51, imports of woollen hosiery averaged only 69,000 lbs. per annum. On the assumption that stocks at the end of the period were not appreciably different from those at the beginning, and without allowing for exports which were small, the domestic consumption of woollen hosiery during the two years 1949 and 1950, may be estimated at about 34 lakh lbs. per annum. At the public inquiry, some of the manufacturers were of the view that the future demand should be estimated at 50 lakh lbs. We consider it reasonable, however, to place the demand in the immediate future at about 40 lakh lbs.

10. The Indian industry has captured practically the whole of the domestic market for the cheaper grades of woollen hosiery which form the bulk of the consumption in this country. The quality of the indigenous product in these grades has been found to be satisfactory. The quality of a hosiery article, however, depends partly on the quality of yarn and partly on the nature of the manufacturing equipment and processes. Many of the defects in a hosiery product can be traced to the defective nature of the yarn used. The Indian knitter can turn out a product substantially similar in quality to the imported product, if he could use yarn of similar quality, but he is unable to do so since the bulk of the domestic

demand is for cheap hosiery. The larger units at Ludhiana are equipped with flat machines and Raschal Looms which are more suitable for quality production, but the cottage industry mostly uses circular machines because of their low capital cost. As stated earlier, there are no facilities at Ludhiana for woolindras treatment of socks and stockings and certain consumers prefer to buy imported or mill-made socks and stockings for this reason. We recommend that the State Governments concerned should give all possible assistance to this important cottage industry in modernising its equipment and adopting improved processes of manufacture. We understand that the Indian Standards Institution has taken up the question of evolving standard specifications for woollen hosiery and knitted garments. We recommend that when such standard specifications are formulated, adequate steps should be taken to secure their adoption by the hosiery units, many of whom are small and probably unaccustomed to standardized methods of production.

11. (a) (i) Requirements. - The hosiery industry has suffered considerably in the past on account of scarcity and high prices of hosiery yarn. It is, therefore, necessary to examine the present position regarding the supply and prices of woollen hosiery yarn. On the basis of the estimate of domestic demand for woollen hosiery given in paragraph 9 above, the industry will in the near future require about 48 lakh lbs. of woollen yarn for production of 40 lakh lbs. of hosiery goods. The export trade in woollen hosiery is at present small, but as it expands, the industry will require additional quantities of yarn. The mills which have hosiery sections produce adequate yarn to meet their own requirements and it is only the units engaged in the production of hosiery alone which have to buy yarn from outside. The future requirements of such units cannot be assessed accurately because these will depend on the proportion of the total demand for hosiery which such units are able to meet in competition with mills. The average quantity of yarn actually consumed by the

hosiery industry, excluding mills, during 1949 and 1950 was about 25 lakh lbs. per annum. (1951, which was an abnormal year, may be left out of account.) The quantity likely to be required in the near future by this section of the industry may be anywhere between 25 lakh lbs. and 48 lakh lbs. According to the Ludhiana Hosiery Industry Federation, the main counts of yarn required by the Ludhiana industry are as follows:-

(a) For outerwear, headwear and neckwear -

2/7, 2/10, 2/12, 2/15, 2/16, 2/22, 2/32, 2/40, 2/42, 2/48 and 3/10.

(b) For socks and stockings -

2/7, 2/10, 2/22, 2/32, 2/40, 3/10 and 3/12.

It has been estimated that about 45 per cent. of the Ludhiana industry's total requirements are coarse counts (2/7s to 2/10s and 3/10s), 30 per cent. for medium counts (2/12s to 2/20s) and 25 per cent. for fine merino counts (from 2/22s to 2/64s). Assuming that these proportions are applicable to the industry at other centres also, the consumption of coarse, medium and fine counts during 1949-50 may be estimated at 11.25, 7.50 and 6.25 lakh lbs. respectively.

(ii) Production. - The hosiery industry obtains its requirements of yarn partly from the domestic woollen mill industry and partly from imports. The following mills in India produce woollen hosiery yarn:-

1. Cawnpore Woollen Mills, Kanpur.
2. New Egerton Woollen Mills, Dhariwal.
3. Raymond Woollen Mills, Bombay.
4. Mahaluxmi Woollen Mills, Bombay.
5. Nagpal Woollen Mills, Bombay.
6. Ahmed Woollen Mills, Bombay.
7. Bombay Woollen Mills, Bombay.
8. Oswal Woollen Mills, Ludhiana.
9. Bharat Woollen Mills, Calcutta.
10. Digvijay Woollen Mills, Jamnagar.

The first two mills utilise their entire production of hosiery yarn in their own hosiery sections. The Raymond and the Mahaluxmi Mills sell only a portion of their production. The remaining mills have no hosiery sections at present and produce yarn only for sale. The Oswal Woollen Mills started production in January, 1950, the Bombay Woollen Mills in May, 1950 and the Digvijay Woollen Mills, in March, 1951. In addition, the following two spinning mills will soon come into production:-

1. Panipat Woollen & General Mills, Kharar, Ambala Dt. (Punjab); and.
2. Bombay Fine Worsted Manufacturers, Thana (Bombay).

The Panipat Woollen Mills was expected to start production in May, 1952 and the Bombay Fine Worsted Manufacturers, by June-July, 1952. The spinning capacity of mills is interchangeable between hosiery yarn and weaving yarn and hence several mills have not been able to indicate their capacity for hosiery yarn as such. A statement showing the actual production of hosiery yarn, the quantity consumed by the producing mills and the balance available for sale during the three years from 1949 to 1951 is given in Appendix VI.

The following table shows the available data regarding the production of woollen hosiery yarn and the quantity available for sale to the hosiery industry during the last three years:-

Details	(In lakhs lbs.)			
	1949	1950	1951	Average for three years
(i) Production	25.04	32.54	19.63	25.74
(ii) Internal consumption in mills having hosiery units.	15.83	11.94	4.26	10.68
(iii) Quantity available for sale,	9.08	20.47	15.50	15.02

*Does not include the excess of production over internal consumption in the case of the New Egerton Woollen Mills which do not sell hosiery yarn.

A classification of the quantity of hosiery yarn available for sale, according to counts, is given below:-

		(In lakh lbs.)			
Counts		1949	1950	1951	Average
Coarse & Medium	7-12	8.67	15.14	10.69	11.50
	13-21	Nil	.71	.09	.27
		<u>8.67</u>	<u>15.85</u>	<u>10.78</u>	<u>11.77</u>
Fine	22-36	.41	4.60	3.99	3.00
	37-48	Nil	.02	.73	.25
		<u>.41</u>	<u>4.62</u>	<u>4.72</u>	<u>3.25</u>
Total:		<u>9.08</u>	<u>20.47</u>	<u>15.50</u>	<u>15.02</u>

During the three years, 1949 to 1951, the average quantity of hosiery yarn available for sale with the woollen mills in India amounted to 15.02 lakh lbs., of which 11.50 lakh lbs. consisted of 7-12 counts, 27,000 lbs. of 13-21 counts and 3.25 lakh lbs. of 22-48 counts. If the year 1951 is left out of account, in view of the abnormal conditions in that year, the average quantity of indigenous yarn available to the hosiery industry during the other two years comes to 14.78 lakh lbs. of which 11.90 lakh lbs. was of counts 7 to 12, 35,500 lbs. of counts 13 to 21 and 2.52 lakh lbs. of counts 22s and above. As stated in paragraph 7 above, the hosiery industry in India (excluding mills) is estimated to have consumed during 1949 and 1950, 11.25 lakh lbs. of counts up to 10s, 7.50 lakh lbs. of counts from 12s to 20s and 6.25 lakh lbs. of counts from 22s and above per annum. It will, therefore, be seen, that during that period, the indigenous woollen mills were able to meet the entire demand of the hosiery industry for coarse counts, but their production of medium and fine counts was far below the requirements of the industry.

The figures given above, however, do not fully reflect certain recent developments regarding the supply of hosiery

yarn. In the first place, two of the units, namely, the Oswal Woollen Mills and the Bombay Woollen Mills, whose production figures are included in the above statements, came into production in 1950 and a third mill, namely, Digvijay Woollen Mills, in 1951 only. Besides, conditions in the raw wool trade in 1951 were extremely unstable and this affected the production of woollen yarn. The Bombay Woollen Mills which started production in May, 1950 remained closed from 7th March to 26th April, 1952. The Bombay Woollen Mills have a capacity of 10 lakh lbs., as compared with their actual production of 3.15 lakh lbs. of woollen yarn of all kinds in 1951, while the Digvijay Woollen Mills have a capacity of 7 lakh lbs. of hosiery yarn as compared with their actual production of 40,000 lbs. of hosiery yarn in 1951. The proportion of the total spinning capacity which is devoted to hosiery yarn depends on the demand for that type of yarn as compared with other types. The Oswal Woollen Mills have recently installed 2,000 additional spindles and will, therefore, be able to augment their supplies to the woollen industry. The two new units which are still to come into production namely, the Bombay Fine Worsted Manufacturers and the Panipat Woollen and General Mills, claim to have a capacity of 7½ lakh lbs. and 4 lakh lbs. respectively and a part of this capacity will be available for the production of hosiery yarn. It is clear, therefore, that the domestic capacity for the production of woollen yarn is now much larger than before.

The supply position in different ranges of counts has also improved. So far as coarse and medium counts are concerned, the woollen mills in India had a surplus of 15.85 lakh lbs. in 1950. During that year, two important units, namely, the Cawnpore Woollen Mills and the New Egerton Mills, had no surplus hosiery yarn to sell. The representatives of the Federation of Woollen Manufacturers have informed us that these two mills are now prepared to make available to the hosiery industry 1 lakh lbs. of yarn each, spun from 48s to 56s tops, in counts ranging from

2/7s to 2/22s. Among the new units, the Bombay Woollen Mills, which had an unused capacity for a little less than 7 lakh lbs. of woollen yarn of all kinds in 1951 can make a substantial contribution to the domestic supply of hosiery yarn of coarse and medium counts. 53 per cent. of the actual production of that unit during 1950 and 1951 consisted of counts 7 to 12s and 7 per cent. of counts 13 to 21s. The Digvijay Woollen Mills expect to have a surplus of 1.5 lakh lbs. of hosiery yarn of 7 to 12s. It is clear from the available evidence that as compared with its actual annual consumption of 11.25 lakh lbs. in counts from 7 to 10s and 7.5 lakh lbs. from 12s to 20s during 1949 and 1950, the hosiery industry (excluding mills) has now available to it from domestic sources much more than 18.75 lakh lbs. in counts up to 20s. If the cottage industry is able to capture the whole of the domestic market for 40 lakh lbs. of hosiery goods, its requirements of coarse and medium counts may increase to about 37 lakh lbs. Even in that event, the domestic mills should be able to meet the increased demand for coarse counts, but on the basis of the available evidence, the position does not appear to be equally certain with regard to medium counts. As the domestic spinning industry expands, fuller data will be available about its capacity to meet the future increase in the demand of the hosiery industry for medium counts. As regards fine counts, i.e., counts 22s and above, the present consumption for the hosiery industry is estimated, on the basis of the figures for 1949 and 1950, at 6.25 lakh lbs. and this may increase to about 12 lakh lbs., if the industry is able to meet the whole of the estimated demand for hosiery goods in India. In 1951, the domestic mills had a surplus of 4.72 lakh lbs. of counts 22s and above, which means that in this range of counts, the hosiery industry had to depend on imports for a part of its requirements. Many of the new units, however, have substantial capacity for the production of counts above 22s and the gap between domestic requirements and production is, therefore, likely to be narrower in the near

future. In 1950 and 1951, 40 per cent. of the total production of yarn at the Bombay Woollen Mills consisted of fine counts and as stated earlier, this mill had a total unused capacity of about 7 lakh lbs. in 1951. The Digvijay Woollen Mills expect to have a surplus of 1.75 lakh lbs. of hosiery yarn of 22s and above on full single shift working. The Oswal Woollen Mills produce mainly yarn of counts 22s and above and their production in this range is likely to increase as a result of the fact that they have recently installed 2,000 additional spindles. The Bombay Fine Worsted Manufacturers expect to produce mainly yarn of 2/22 counts. We understand from the Development Wing of the Ministry of Commerce & Industry that the need for larger production of finer counts has been kept in view in recommending import licences for machinery for new spinning units and that the new units have been encouraged to go in for production of finer quality of woollen and hosiery yarn. Even if no account is taken of the future production of the Bombay Fine Worsted Manufacturers and the Panipat Mills, it appears that the local spinning mills are now able to meet the domestic requirements for fine counts to a substantially larger extent than they were hitherto. Some imports of fine counts will be required until some of the new units come into regular production. Owing to abnormal fluctuations in the world prices of wool and the unstable conditions of demand from the hosiery industry itself, the spinning industry has not been able to utilise its full capacity. A clearer picture of the capacity of the local mills to meet the domestic demand for hosiery yarn of different counts will emerge only when trading conditions become more stable than they are at present.

(iii) *Quality of indigenous woollen hosiery yarn.* - At the public inquiry, the representatives of the Ludhiana Hosiery Industry Federation complained about the lack of uniformity in the hosiery yarn produced by some of the woollen mills in India. It was stated that such lack of uniformity made the yarn unsuitable for use on automatic

machines and resulted in various defects in the finished products. The evidence received by us showed that while the older woollen mills in India had proper arrangements for selecting wool tops, some of the new units did not have such arrangements and that this was partly responsible for the uneven character, as well as other defects, of the yarn produced by them. We understand that the Bombay Woollen Mills make use of the facilities available at the Victoria Jubilee Technical Institute for testing wool tops. We recommend that those spinning mills which do not have proper arrangements for the selection and testing of their raw material should institute such arrangements as early as possible. The spinning industry should also explore the possibility of setting up a Central Conditioning House for testing samples of wool tops and yarn. We understand that the Woollen Hosiery Sectional Sub-Committee of the Indian Standards Institution is examining the question of formulating standard specifications for woollen hosiery yarn. The adoption of standard specifications for woollen hosiery yarn will go a long way towards removing many of the difficulties now experienced by the hosiery industry in regard to the quality of their raw material. The hosiery manufacturers also complained of the failure of certain mills to exercise proper control over their dealers, some of whom attached wrong labels to the bundles of yarn sold by them with a view to misleading the consumers. The representatives of the mills concerned admitted their laxity in this respect in the early stages of their working, but explained that stricter control was now being exercised and that the knitters would consequently have no cause for complaint in future.

(iv) (a) Imports of woollen yarn.- A statement showing the quantity and value of woollen yarn of all kinds imported during the years 1948-49 to 1950-51 and the first ten months of 1951-52 is given in Appendix VII. The Accounts relating to the Foreign Sea-and-Air-borne Trade and Navigation of India give figures of imports of 'Knitting Wool' which

includes hosiery yarn for both mact **including and mano** knitting. Imports of knitting wool during the last four years were as follows:-

				Quantity in lakh lbs.	Value in lakh of Rs.
1948-49	...	...	...	9.16	78.16
1949-50	...	...	...	6.41	36.79
1950-51	...	...	...	.80	8.94
1951-52 (10 months)	...			1.08	17.97

Imports of knitting wool showed a sharp reduction in volume, accompanied by a steep rise in prices, during 1950-51 and 1951-52.

(iv) (b) *Import Control Policy regarding woollen yarn.* - Import control policy in regard to woollen yarn has undergone many changes since 1950. During the first half of that year, woollen yarn was allowed to be imported by established importers from soft currency areas and Japan only, subject to a monetary ceiling. In the following half-year, as well as in the first half of 1951, established importers were given a quota of 20 per cent. of one half of their best year's imports from soft currency areas and Japan while no imports were allowed from other sources. In the licensing period, July-December, 1951, the face value of the licences issued in the preceding period was doubled and supplementary licences were issued on the basis of a quota of 100 per cent. both for soft currency areas and Japan. During the current half-year, January-June, 1952, soft currency licences are to be issued to the extent of two multiples of January-June, 1951 licences, if claimed on that basis and up to 40 per cent. of one-half of the best year's imports, if claimed on the basis of fresh documents. Actual users have been given licences since the latter half of 1950. Until December, 1951, licences were issued to actual users upto their six months' requirements for imports from soft currency areas and Japan only; but during the current half year, such licences have **between vaild** for all currency areas.

(iv) (c) *Import Duty on woollen yarn.*- Woollen yarn is assessed to duty at the standard rate of $31\frac{1}{4}$ per cent. *ad valorem* under items 47(3) and 47(4) of the Indian Customs Tariff. Imports of woollen yarn from Burma only are eligible for a preferential rate of $12\frac{1}{2}$ per cent. *ad valorem*.

(iv) (d) *Export Control Policy regarding woollen yarn.* Statistics of exports of woollen yarn are not available. Exports of woollen hosiery yarn, which were on O.G.L. from 11th November, 1949, have been prohibited from 2nd June, 1951.

(v) *World prices of wool tops and woollen yarn.*- World prices of raw wool and woollen yarn have shown erratic fluctuations during the last two years. The following statement which gives Bradford quotations for 48s carded wool tops and for 2/12s (46s carded) cross-bred hosiery yarn since January, 1949, illustrates the course of prices of these two commodities:-

Year and month	Tops 48s carded	Cross-bred hosiery yarn 2/12s (46s carded)
	(Pence)	(Pence)
1949 January	46	61
February	41	61
March	39	57
April	39	56
May	39	55
June	39	55
July	38	55
August	39	56
September	43	59
October	48	65
November	58	75
December	58	78
1950 January	64	84
February	61	80
March	62	81
April	66	87
May	71	95
June	72	93
July	77	103
August	97	130
September	128	166
October	139	166
November	150	177
December	157	183

Year and month	Tops 48s carded	Cross-bred hosiery yarn 2/12s (46s carded)
	(Pence)	(Pence)
1951 January	208	225
February	201	227
March	235	257
April	192	218
May	163	191
June	120	153
July	106	121
August	79	91
September	69	82
October	100	116
November	82	98
December	80	98
1952 January	73	91
February	70	81
March	57	75
April	49	65

The price of 48s wool tops was quoted at 38 pence per lb. in July, 1949. It rose steadily to 77 pence in July, 1950, after which there was a sudden jump by 20 pence in August, and 31 pence in September, 1950. By January, 1951, the price of 48s wool tops had increased to 208 pence per lb. and by March, 1951 to 235 pence per lb. Thus, in the course of seven months from September, 1950 to March, 1951, the prices of wool tops advanced by nearly 100 per cent. After March, 1951, however, there was a break in prices which brought down the quotation for 48s top by successive stages to 69 pence in September, 1951, which was less than one-third of the peak price recorded only six months earlier. After a somewhat sharp reaction in October, 1951, prices resumed their downward trend which continued up to April, 1952, when the quotation stood at 49 pence per lb. Thus, at the time of the present inquiry, prices of wool tops ruled at more or less the same levels as in October, 1949. World prices of hosiery yarn showed a similar trend. Between July, 1949 and September, 1950, the quotation for 2/12s rose from 55 pence to 166 pence, a rise of more than 200 per cent. as compared with a rise of 237 per cent. in the case

of wool tops. The peak prices were recorded in March, 1951, when 2/12s were quoted at 257 pence. The rise in the prices of yarn between September, 1950 and March, 1951, however, amounted to only 55 per cent., as compared with the rise of 100 per cent. noticed in the case of wool tops. The lag between the prices of yarn and wool was presumably due to some extent to the moderating influence of the stocks of wool carried over by the manufacturers from the previous period. Perhaps for a similar reason, the fall in the prices of yarn, which set in after March, 1951, though precipitous, amounted to 71 per cent. up to April, 1952 as compared with a fall of 79 per cent. in the case of wool tops. At the time of this inquiry, crossbred hosiery yarn of 2/12s counts was quoted at 65 pence as compared with 257 pence in March, 1951. The price fluctuations mentioned above were due to a variety of factors, the most important of them being the changes in the stock piling programme of the United States and the Korean War situation. The world market for wool and woollen yarn has continued to be unstable. This extreme instability in the prices of wool and woollen yarn has adversely affected all branches of the woollen textile industry. Both the hosiery industry and the spinning industry in India have had their share of the difficulties created by world factors referred to above.

(b) *Cost of production of indigenous woollen hosiery yarn.*—The hosiery industry has asked for the abolition or a substantial reduction of the import duty on woollen hosiery yarn. This raises the question whether the import duty on woollen hosiery yarn can be reduced or abolished without adverse effects on the domestic spinning industry. The Assistant Cost Accounts Officer attached to the Commission has examined the cost of production of woollen hosiery yarn at three mills, namely, the Bombay Woollen Mills Ltd., Bombay, the Oswal Mills Ltd., Ludhiana, and the Mahaluxmi Woollen Mills Ltd., Bombay. The Bombay Woollen Mills and the Oswal Woollen Mills produce yarn only for sale, while the Mahaluxmi Woollen Mills use the major portion of the yarn

produced by them in their own hosiery section. The period of costing selected for the Bombay Woollen Mills is July, 1950-June, 1951 and that for the Oswal Woollen Mills and the Mahaluxmi Woollen Mills January-June, 1951. The Assistant Cost Accounts Officer has prepared estimates of fair ex-mill prices on the basis of the actual costs for these periods. The Oswal Woollen Mills do not have a satisfactory system of accounts and the overhead charges incurred by this unit are too low in comparison with the other units. We have, therefore, adopted the cost data relating to the other two units as representative of the industry as a whole. The firms desired that the details of their costs of production should be kept confidential and we have accordingly given such details in a separate confidential enclosure* to this report. Brief comments on the principal elements of the cost of production of woollen yarn are given below:-

(i) *Cost of raw material.*- Certain varieties of indigenous raw wool such as those found in Bikaner, Kashmir, Saurashtra and Gharwal, are suitable for the manufacture of hosiery yarn. Indigenous wool, however, is not properly sorted and graded and consequently, hosiery yarn is produced in India exclusively from imported wool or wool tops. Only a few mills in India have arrangements for preparing wool tops from imported wool. The mills costed by us use exclusively imported wool tops. To determine the quantity of wool tops required for yarn of different counts, we have adopted the following recovery percentages:-

[Table overleaf]

STATEMENT A

Tops	Cross-bred 48s to 56s	Super cross-bred or medium merino 58s to 60s	Merino 64s to 70s
(a) Invoiced lbs.	100	100	100
(b) Average loss in moisture.	1	1	1
(c) Available for the mills.	99	99	99
(d) Loss in spinning (9%, 8% & 7½% respectively).	8.9	7.9	7.4
(e) Single yarn recovery.	90.1	91.1	91.6
(f) Loss in doubling (2½%, 2½% & 2% respectively).	2.2	2.3	1.8
(g) Doubled yarn recovery.	87.9	88.8	89.8
or say	88%	89%	90%

On the basis of the above percentages, the quantities of wool tops required per lb. of doubled yarn work out as follows:-

48s to 56s tops	1.136 lbs.
58s to 60s tops	1.124 lbs.
64s to 70s tops	1.111 lbs.

The cost of wool tops has been calculated on the basis of ex-Bradford prices quoted in the Weekly Wool Chart dated 3rd April, 1952, adding 3d. per lb. for insurance and freight and 1 anna per lb. for clearing charges. The following table shows the landed costs of wool tops of different varieties in Bombay calculated on this basis:-

STATEMENT B

	48s carded	58s average	60s average	64s average	70s average
	d.	d.	d.	d.	d.
(i) Ex-Bradford price.	49	78	96	115	126
(ii) Add insurance & freight, etc	3	3	3	3	3
(iii) C.I.F. price in pence (i) plus (ii).	52	81	99	118	129
	Rs.	Rs.	Rs.	Rs.	Rs.
(iv) C.I.F. price in rupees.	2.89	4.50	5.50	6.56	7.17
(v) Add clearing charges.	0.06	0.06	0.06	0.06	0.06
(vi) Landed cost (iv) plus (v).	2.95	4.56	5.56	6.62	7.23

(ii) *Conversion charges.*— These comprise expenses incurred for labour, power and fuel, establishment, depreciation, etc. These have been estimated on the basis of the total cost per spindle shift and the production of each count-of yarn per spindle shift. The average conversion charges for the two Bombay Mills have been adopted in calculating the fair ex-mill costs.

(iii) *Packing charges.*— These have been estimated on the basis of the average packing cost incurred by the two Bombay units.

(iv) *Interest on working capital.*— The amount of working capital has been taken as equal to 4 months' costs of production and interest has been allowed thereon at $4\frac{1}{2}$ per cent. per annum.

(v) *Return on block.*— The return due to each of the two Bombay mills has been calculated separately at 10 per cent. on the fixed capital, and the average of the figures so obtained has been taken as representative of the industry as a whole.

(vi) *Fair ex-mill prices.*- On the above basis, the fair ex-mill prices for various counts of hosiery yarn work out as follows:-

STATEMENT C

Count of yarn spun	2/12s	2/22s	2/22s	2/48s	2/48s
Tops	48s carded	60s average	64s average	64s average	70s average
(a) Quantity of tops required (lb.). Statement A.	1.136	1.124	1.111	1.111	1.111
(b) Price of wool tops. Statement B. (Rs.)	2.95 Rs.	5.56 Rs.	6.62 Rs.	6.62 Rs.	7.23 Rs.
(i) Cost of wool tops (a x b).	3.351	6.249	7.355	7.355	8.033
(ii) Conversion charges.	0.519	1.078	1.078	2.589	2.589
(iii) Bundling and Baling.	0.265	0.265	0.265	0.265	0.265
(iv) Total	4.135	7.592	8.698	10.209	10.887
(v) Less credit for waste.	0.080	0.080	0.080	0.080	0.080
(vi) Net cost	4.055	7.512	8.618	10.129	10.807
(vii) Add interest on working capital (4½% on 4 months' cost of pro- duction).	0.061	0.113	0.129	0.152	0.162
(viii) Add return on block.	0.056	0.106	0.106	0.313	0.313
Fair ex-mill price.	4.172	7.731	8.853	10.594	11.282
or say:	4.17	7.73	8.85	10.59	11.28

(c) *Landed costs of imported woollen hosiery yarn and their comparison with the fair ex-mill prices of indigenous woollen hosiery yarn.*- In calculating the fair ex-mill prices of woollen yarn, we have taken the prices of wool tops as given in the Weekly Wool Chart dated 3rd April, 1952. The same publication also gives ex-Bradford quotations for woollen yarn as on 3rd April, 1952 and it would be appropriate to adopt them for determining the landed costs of imported yarn which are to be compared with the fair ex-mill prices of indigenous yarn. To the ex-Bradford prices of yarn quoted in the Weekly Wool Chart, we have added 3d. per lb. for packing and forwarding charges upto the port in the U.K. and a further 3d. per lb. for insurance and freight to Bombay. The following statement gives a comparison of the landed costs, ex-duty, of imported yarn of different counts so worked out with the fair ex-mill prices of indigenous yarn of the same counts as determined by us in paragraph 11(b) above:-

(Statement on page 34)

It will be seen from the above comparison that the rates of duties required to equalise the landed costs (excluding duty) of imported yarn with the fair ex-mill prices of indigenous yarn are only 2.75 per cent. for 2/12s spun from 48s carded tops, 8.43 per cent. for 2/22s spun from 60s to 64s tops and 14.45 per cent. for 2/48s spun from 64s to 70s tops.

(d) *Question of abolishing or reducing the import duty on woollen yarn.*- It will be evident from the analysis in the preceding paragraph that whereas the existing duty on woollen hosiery yarn is 31½ per cent. *ad valorem*, the duty required to protect the Indian spinning industry against foreign competition varies from 2.75 per cent. on gross bred yarns to 14.45 per cent. on fine merino yarns. Certain other factors, however, have to be taken into account in

STATEMENT D

Counts of yarn ~ spun	2/12s	2/22s	2/22s	2/48s	2/48s
tops	48s carded	60s average	64s average	64s average	70s average
	Rs.	Rs.	Rs.	Rs.	Rs.
(i) C.i.f. price	4.00	7.17*	8.00*	9.33	9.67
(ii) Customs duty @ 31½%.	1.25	2.24	2.50	2.92	3.02
(iii) Clearing charges.	0.06	0.06	0.06	0.06	0.06
(iv) Landed cost	5.31	9.47	10.56	12.31	12.75
(v) Landed cost, excluding duty (iv-ii) .	4.06	7.23	8.06	9.39	9.73
(vi) Fair ex-mill price as per statement C.	4.17	7.73	8.85	10.59	11.28
(vii) Difference between fair ex-mill price and landed cost ex-duty (vi-v) .	0.11	0.50	0.79	1.20	1.55
(viii) Difference as percent- age on c.i.f. price [vii as a percentage of (i)] .	2.75%	6.97%	9.88%	12.86%	16.03%
or say:	2.75	8.43		14.45	

*As the price for 2/22s was not available, we have adopted the price for 2/24s in consultation with the industry.

considering the desirability of reducing the duty on woollen hosiery yarn in the present circumstances. In the first place, the fair ex-mill prices of hosiery yarns given in the preceding paragraph are based on the prices of wool tops ruling on 3rd April, 1952. Prices of wool tops had reached the low level recorded on that date after a period of more or less continuous decline which had commenced in April, 1951. The Bradford price of 48s tops in April, 1952 was a little over 20 per cent. of the price ruling a year earlier and 67 per cent. of the price in January, 1952. Thus, a mill which held stocks of wool tops even for a short period of two or three months stood to lose substantially, except in so far as its purchases of wool tops were covered by forward sales of yarn. While it may appear on the basis of the prices of wool tops and yarn prevailing on 3rd April, 1952, that the cost of production of indigenous yarn was higher than the landed cost of foreign yarn by no more than 15 per cent. of the c.i.f. price, the actual position is likely to be much worse, since the average cost of wool tops to any mill having uncovered stocks purchased two or three months earlier is bound to be higher than that indicated by the prices of wool tops ruling on 3rd April, 1952. The fair ex-mill price for 2/12s has been estimated in Statement C above on the basis of a price of 49d. per lb. of 48s (carded) tops, ex-Bradford, ruling on 3rd April, 1952. If the latter is substituted by the quotation of 70d. per lb. ruling in February, 1952, i.e., two months earlier, the fair ex-mill price for 2/12s will work out to Rs. 5.49 per lb., indicating a duty of 36½ per cent. *ad valorem*, as against the existing duty of 31½ per cent. *ad valorem*. The woollen mill industry in India is dependent on imports of wool tops and in order to ensure continuity of supply of woollen yarn, it is necessary that the industry should be able to hold adequate stocks of the raw material. The existing duty on woollen yarn provides some cushion to the domestic spinning industry against the risks arising from a precipitous decline in foreign prices of wool and woollen

yarn. In fact, the fluctuations in the prices of wool and woollen yarn in recent months have been so violent that even the existing duty on woollen yarn did not protect the industry adequately against the risks involved, and consequently, a number of woollen mills were forced to curtail their production of yarn and some had to suspend production altogether. We consider, therefore, that a reduction in the duty on woollen yarn would deprive the domestic spinning industry of a valuable safeguard against the present unstable conditions in the world market for wool and woollen yarn. Secondly, a section of the woollen mill industry in India is still in a nascent stage. Three of the spinning mills came into existence only during the last two years, and two more mills have yet to come into production. The Government of India have encouraged the establishment of these new units in order that the domestic hosiery and weaving industries may be assured of adequate local supply of woollen yarn, especially yarn of fine counts. It is not desirable that the protection afforded to these units by the existing revenue duty should be taken away so soon after their establishment. It is in the interest of the hosiery industry itself that the spinning industry should be firmly established and that conditions should be favourable for its further expansion. Thirdly, the evidence received by us shows that there is already considerable competition among the spinning mills in India and the recent accumulation of stocks with the mills has accentuated the competition. The competition will increase as more spinning mills come into existence. Some of the hosiery units at Ludhiana have represented to us that the duty on woollen hosiery yarn operates as a serious obstacle in the way of developing the export trade in hosiery trade for which there are very favourable prospects in countries like Burma, Ceylon and Middle East. So far as finer counts of yarn are concerned, it will be seen from the figures given in the preceding paragraph that the cost of production in India is higher than in other countries and that a complete elimination of

the duty would, therefore, adversely affect the domestic spinning industry. If, on the other hand, the duty were to be reduced to a lower figure, this would not help the hosiery industry in developing its export trade, because even a lower duty will be a handicap for the industry in the export market. At the present stage, the need for encouraging the production of fine counts of hosiery yarn should have a priority over the promotion of the export trade in hosiery articles made of such yarn. As regards coarse and medium counts, the difference in domestic and foreign costs is small and is likely to diminish as the spinning industry expands. In the present conditions of competition among the spinning mills, there is every reason to expect that the difference between the selling prices of imported and indigenous hosiery yarn of coarse and medium counts will also be small. At the public inquiry, the representative of the Bombay Woollen Mills stated that his firm was prepared to sell hosiery yarn of counts 2/12s at Rs. 4/8/- per lb. as compared with the current c.i.f. price of Rs. 4 per lb., and yarn of counts 2/22s spun from 60s tops at Rs. 7/8/- per lb. as compared with the current c.i.f. price of Rs. 7/3/- per lb. He explained that these quotations would apply to orders for at least 10,000 lbs. of each count. As the foreign prices of wool tops get established and the stocks of wool tops purchased in the earlier period of high prices are liquidated, more and more mills may be able to quote similar prices for hosiery yarn. We consider it reasonable, therefore, to await developments before reducing the duty on woollen hosiery yarn. We are also advised that there would be considerable administrative difficulties in operating a system of duties varying according to the counts of woollen hosiery yarn. Further, it is administratively difficult to distinguish between hosiery yarn and weaving yarn. At the public inquiry, samples were produced of cloth woven from hosiery yarn and of socks knitted from weaving yarn, which showed that the two were interchangeable.

For all these reasons, we recommend that the import duty on woollen hosiery yarn should not be reduced for the present. The question may be reconsidered when world prices of wool and woollen yarn attain some measure of stability and the spinning mills which have been recently set up have had sufficient time to consolidate their position. A careful watch should, however, be maintained over the prices of woollen hosiery yarn and if there is evidence of any undue rise in the prices of such yarn which is likely to have serious repercussions on production and employment in the woollen hosiery industry, the question of reducing the import duty on such yarn should be taken up for urgent consideration. The Federation of Woollen Manufacturers should also take suitable steps to ensure that the prices of woollen hosiery yarn produced by its member mills are maintained at a reasonable level.

12. The Ludhiana Hosiery Industry Federation has represented that as a result of the Competition between the Mills and the Knitters. import duty on woollen hosiery yarn, the small knitters are placed at a disadvantage in competition with woollen mills. The Federation has pointed out that since wool tops are imported free of duty, mills which spin their own yarn are able to sell hosiery articles at much lower prices than those charged by knitters who have to purchase their yarn. The Federation has particularly complained of competition from mills in regard to supply of woollen hosiery articles required by Government. We have not examined the cost of production of hosiery goods at the mills. Since hosiery goods form only a small part of the total activities of the mills, it would have been difficult to estimate their cost of production of hosiery goods with any degree of accuracy; nor did we consider such examination necessary for deciding the question of the import duty on woollen yarn. However, we have examined whether the knitters have suffered from competition with the mills in regard to supplies of woollen hosiery goods

to Government. The Ministry of Works, Production and Supply, Government of India, have furnished us with a memorandum on this subject, in which the position has been explained as follows:-

During the War, when large quantities of hosiery goods were required by the Defence Services, small knitters all over India were invited to fabricate knitted articles. The necessary yarn was imported by Government from the United Kingdom and Australia and was released free to the knitters who were paid their fabrication charges. With the cessation of hostilities, the demand from the Defence Services dwindled considerably and it became uneconomical for Government either to import yarn on its own account or to maintain the elaborate accounting arrangements necessary to get it fabricated by the knitters. Government, therefore, began to purchase hosiery goods on made-up basis. This, however, placed the knitters at some disadvantage vis-à-vis the mills, because while the knitters had to purchase their yarn and could not at times obtain their requirements in adequate quantities or at reasonable prices, the mills which spun their own yarn had no such difficulty. In 1948, the Director-General of Supplies and Disposals arranged release of yarn for certain knitters from two mills, namely, Messrs. Ahmed Abdul Karim and the Nagpal Woollen Mills, but the supplies made from such yarn were found very unsatisfactory by the Defence Services. This experiment was, therefore, not repeated. Further, apart from having their own supplies of yarn, the mills have certain other advantages also, the principal one being that they possess their own plants for woolindras treatment.

It should be clear from this account that the difficulties experienced by the Ludhiana knitters in competing with the woollen mills cannot wholly be attributed to the fact that the mills obtain their yarn at lower cost. The difficulties of the knitters are, in fact, due to several reasons. A statement is given in Appendix VIII, which shows the orders placed by Government with the knitters and the mills

and the relative contract rates. It will be seen from that statement that both in 1949 and 1951, knitters were able to quote competitive rates with mills for socks, stockings and jerseys. In 1950, however, the sudden rise in the prices of yarn forced the knitters to quote higher rates. The position regarding the supply and prices of woollen yarn has now improved and the available evidence indicates that the knitters are now in a better competitive position, so far as their cost of production is concerned.

In the market also, knitters are often able to quote lower rates than the mills, as will be seen from the following quotations for standard jerseys furnished by the Federation of Woollen Manufacturers at the public inquiry:-

	Rs.as.p.
New Egerton Mills, Dhariwal and Cawnpore Mills, Kanpur.	12 2 0
Mahaluxmi Woollen Mills, Bombay	11 0 0
Bharat Hosiery Works, Ludhiana	9 7 0
Vijayalaxmi Hosiery Works, Ludhiana	9 9 9
Swedeshi Manufacturing Syndicate, Ludhiana	8 15 0
Rajpur Stores, Ludhiana	9 0 0
Chenab Hosiery, Ludhiana	9 7 0
Minerva Hosiery, Ludhiana	9 11 0

In fact, the representative of the Federation of Woollen Manufacturers informed us at the public inquiry that it was only because the mills were finding it difficult to maintain their production of hosiery goods that the Cawnpore and the New Egerton Mills, which never sold any yarn to the woollen hosiery industry in the past, had now decided to do so. This is a development in the right direction. As a cottage industry which has demonstrated its ability to face competition with the large-scale industry, the hosiery industry deserves all possible encouragement. In particular, we recommend that Government orders for hosiery goods should be placed with knitters to the maximum extent possible and that all possible assistance should be given to knitters in overcoming their difficulties in conforming to Government specifications.

13. The Assistant Cost Accounts Officer has examined the cost of production of woollen hosiery articles at the following 4 factories at Ludhiana:-

- (i) Sutlej Hosiery,
- (ii) Mohini Hosiery,
- (iii) Kishore Hosiery,
- (iv) Greatway Hosiery.

These units produce a variety of knitted wear, but approximately four-fifths of their total production consists of outerwear and footwear. The principal items in these categories are slipovers, mufflers, cardigans, socks and stockings, and these have accordingly been selected for the purpose of costing. The costs of production at the four units have been determined for the period April, 1950 to March, 1951 and estimates of future costs have been arrived at on that basis. All the four units are small and run more or less on a cottage industry basis. Their system of accounts is, therefore, not adapted for proper costing and the costs have had to be built on such data as were available. A detailed report* on the cost investigation is being forwarded to Government as a separate confidential enclosure to this Report, but a few observations on the principal elements of the cost of production are given below:-

(1) *Cost of woollen yarn.* - On the basis of the averages for the four units and in consultation with the industry, we have taken the wastage of yarn for different types of articles at the following rates:-

	Percentage of the net weight of the finished product.
Slipovers.	25
Cardigans.	30
Socks and stockings.	15
Mufflers	10

The cost of woollen yarn has been calculated at the market prices prevailing on 10th April, 1952 and the dyeing charges have been allowed at 8 as. per lb. which is the normal rate at Ludhiana.

(2) *Conversion charges.* - The labour charges for the future have been calculated on the basis of the average piece-rates for the various garments prevailing during the year ended 31st March, 1951. All other expenses like stores, establishment, depreciation and miscellaneous overheads taken together have been assessed at a flat rate of 50 per cent. of the labour charges. During 1950-51, these expenses actually amounted to 65 per cent. of the labour charges in the case of these four costed units. We have, however, adopted a lower figure, because the volume of production is likely to be higher in future and secondly, the average unit in the industry is even smaller than any of the four costed units and has consequently smaller overheads.

(3) *Packing charges.* - The average packing charges incurred during the year ended 31st March, 1951, have been allowed for the future.

(4) *Interest on working capital.* - The amount of working capital has been taken as equivalent to 4 months' cost of production and interest has been allowed thereon at $4\frac{1}{2}$ per cent. per annum. This works out to $1\frac{1}{2}$ per cent. of the cost of production.

(5) *Return on block.* - As the fixed capital employed in an average unit is very small in comparison with the annual turnover, the usual method of allowing a return of 10 per cent. on the gross block will not yield an adequate margin for the industry. In the case of the four costed units, a return at 10 per cent. on the gross block works out, on an average, to less than 1 per cent. on the cost of production. We believe that a profit margin of 5 per cent. on the cost of production would be reasonable in this case.

(6) *Fair ex-works prices.* - Our estimates of the fair ex-works prices for the five selected items, namely, slipovers, cardigans, mufflers, stockings and socks, are given below:-

(Statement on page 14)

14. A statement in Appendix IX gives the c.i.f. prices and landed costs for different hosiery articles as reported by the Collectors of Customs and certain importing firms. The discussions at the public inquiry, however, showed that the prices given in that statement were not fully representative of current conditions. As stated earlier, prices of wool tops and woollen yarn have registered a steep fall as compared with the levels prevailing in the latter half of 1951 and this has affected the prices of imported hosiery articles also. We have, therefore, adopted the latest f.o.b. prices furnished by certain importers at the public inquiry, and have calculated the corresponding c.i.f. prices by adding 10 per cent. for packing, insurance and freight. The c.i.f. prices and landed costs adopted by us are given below:-

	Slipovers	Socks	Stockings
	28"	10½"	10½"
	Meridian Ltd., Nottingham, U.K.	A.G. Kidston & Parker Ltd., London.	Meridian Ltd., Nottingham, U.K.
	Doz.	Doz. Pairs	Doz. Pairs
F.o.b. price	Sh. 108.0	40.0	50.0
Add 10% for packing, insurance & freight.	" 10.8	4.0	5.0
C.i.f. price	" 118.8	44.0	55.0
C.i.f. price	Rs. 79.2	29.3	36.7
Customs duty	" 31.8	9.2	11.5
Clearing charges	" 0.8	0.3	0.4
Landed cost including duty.	" 104.8	38.8	48.6
Per unit	" 8.73	3.23	4.05

**STATEMENT SHOWING THE COMMISSION'S ESTIMATES OF THE FAIR EX-WORKS PRICES
OF CERTAIN REPRESENTATIVE HOSIERY ARTICLES**

Article	Slippers		Cardigans		Purlers		Stockings		Socks	
Type of machine	Circular	Hand	Circular	Hand	Flat	Circular	Hand	Circular	Hand	Circular
Size	32"	32"	32"	32"	32"	9 x 5 1/2"	9 x 5 1/2"	10"	10 1/2"	10 1/2"
Count of yarn	2/10s	2/22s	2/4s	2/22s	2/4s	2/12s	2/4s	2/22s	2/22s	2/4s
1. Finished weight of article per dozen (lbs.)	4.583	4.844	4.844	6.000	6.000	4.250	2.988	1.750	1.250	1.250
2. Wastage	1.141	1.211	1.211	1.800	1.800	0.425	0.269	0.262	0.187	0.187
3. Gross weight of yarn required (1+2) doz. lbs.	5.704	6.055	6.055	7.800	7.800	4.675	2.957	2.012	1.437	1.437
4. Rate of yarn per lb.	Rs. 4.750	Rs. 10.250	Rs. 15.000	Rs. 10.250	Rs. 15.000	Rs. 4.800	Rs. 15.000	Rs. 10.250	Rs. 10.250	Rs. 15.000
5. Cost of woollen yarn per dozen (3 x 4)	27.094	62.094	90.825	79.950	117.000	22.408	44.355	20.623	14.729	21.555
6. Dyeing	2.852	3.028	3.028	3.900	3.900	2.339	1.479	1.006	0.719	0.719
7. Buttons	-	-	-	1.875	1.875	-	-	-	-	-
8. Total cost of materials	29.946	65.092	93.853	83.726	122.775	24.806	45.834	21.629	15.448	22.274
9. Labour	7.580	12.970	13.418	23.575	24.150	3.132	4.804	4.379	3.898	3.988
10. Conversion charges	3.760	6.485	6.708	11.788	12.075	1.566	2.302	2.130	1.944	1.944
11. Packing	2.842	2.709	2.709	5.500	5.500	1.890	1.564	1.043	0.875	0.875
12. Interest on working capital	0.682	1.309	1.750	1.899	2.467	0.466	0.815	0.438	0.333	0.435
13. Ex-factory cost	44.790	88.564	118.435	128.487	166.987	31.682	55.119	29.679	22.488	28.416
14. Profit @ 5% on factory cost	2.240	4.428	5.922	6.424	8.348	1.583	2.756	1.484	1.124	1.471
15. Fair ex-factory price per dozen	47.030	92.992	124.357	134.911	175.335	33.265	57.875	31.163	23.612	30.887
16. Fair ex-factory price per unit	3.92	7.75	10.36	11.24	14.61	2.77	4.82	2.60	1.97	2.57

N.B.- The rates adopted for different counts relate to the type of yarn mentioned against each
2/10 : Cross bred, 2/22 : Medium merino, 54s Tops, 2/48 : Merino, 70s Tops.

In each case, the lowest quotation furnished by the importers has been adopted.

It will be observed that the latest available c.i.f. price for slippers relates to 28" size, while the fair ex-works price of slippers as estimated by us in paragraph 13 above relates to 32" size. We have, therefore, adjusted our estimate of the fair ex-works price on the basis of the normal relationship between the prices of different sizes of slippers. A comparative statement showing the landed cost of imported hosiery articles and the estimated ex-works prices of indigenous hosiery articles is given below:-

Details	Slippers	Stockings	Socks
Size	28"	10½"	10½"
Count	2/48s	2/22s	2/48s
Estimated fair ex-works price	8.86*	2.60	2.57
(i) C.i.f. price	6.60	2.44	3.06
(ii) Customs duty @ 31½%	2.06	0.76	0.96
(iii) Clearing charges	0.07	0.03	0.03
(iv) Landed cost with duty (i + ii + iii).	8.73	3.23	4.05
(v) Landed cost without duty (i + iii).	6.67	2.47	3.09
(vi) Difference between the fair ex-works price and the landed cost without duty.	2.19	0.13	(-) 0.52
(vii) Difference as a percent- age of c.i.f.	33.2	5.3	(-) 17.00

*Adjusted as explained above.

It will be seen that a duty of 33.2 per cent. is required in the case of slippers and a duty of 5.3 per cent. in the case of stockings in order to equalise the landed costs of the imported product with the fair ex-works prices of the indigenous product. In the case of socks, the fair ex-works price of the indigenous product is appreciably lower than the c.i.f. price of the imported product.

15. The analysis in the preceding paragraph shows that except in the case of slippers, the existing duty of 31½ per cent. *ad valorem* affords ample protection to the domestic hosiery industry. In the case of slippers, the duty indicated by a comparison of the fair ex-works price and the landed cost is slightly higher than the existing rate of duty. Since, however, a hosiery unit normally produces a variety of articles including both footwear and outerwear, this slight disadvantage in respect of slippers is amply compensated by the advantage in respect of other articles. Indeed, certain types of hosiery articles are still imported into the country, principally from the United Kingdom, and find favour with certain classes of consumers. The total imports of woollen hosiery during the three years ended 31st March, 1951, however, averaged only 88,000 lbs. per annum, as compared with the average domestic production of 28.5 lakh lbs. per annum during the three years 1949-51. Imports of foreign hosiery thus amount to a little more than 3 per cent. of domestic production and it is desirable that imports on this scale should continue in order to provide an incentive to the domestic industry to improve the quality of its products. We understand that the types of hosiery articles in respect of which the domestic consumer shows a marked preference for the imported product are socks with elastic tops, children's wear and swimming suits. In these cases, however, the imported products are generally of a superior quality and have features (such as their shrink-resisting quality) which are not generally found in indigenous products. We recognise that the preference shown by certain consumers for imported products is partly due to their prejudice against indigenous products. But in view of the fact that imports constitute a negligible proportion of the total demand, we do not consider that this prejudice operates as an impediment to the development of the industry. We have, therefore, come to the conclusion that the industry does not need protection against foreign competition.

16 (a) *Exports of hosiery goods.* Although the export trade in hosiery goods is at present small, we understand that there are good prospects for developing it, particularly with the neighbouring countries. The development of the export trade will result in some of the spare capacity at Ludhiana being utilised. We recommend that in negotiating any trade agreements with the neighbouring countries, the desirability of securing facilities for the export of Indian hosiery goods to those countries should be kept in view.

(b) *Need for co-operative societies of knitters.* - Although the knitters at Ludhiana have organised themselves into a Federation, they have so far not been able to set up any co-operative arrangements for the purchase of raw materials or the sale of the finished products. The industry consists mainly of small units and is, therefore, likely to benefit greatly by co-operation. We recommend that the Punjab Government should make special efforts to encourage the growth of co-operative societies among the knitters at Ludhiana. Such co-operative societies will be useful, not only in negotiating joint purchases of raw materials and sales of the finished products, but also in providing credit facilities to small producers and in securing the adoption of standard specifications by their members.

17. Our conclusions and recommendations are summarised

Summary of conclusions and recommendations. below:-

(i) The woollen hosiery industry, excluding the four woollen mills which have hosiery sections, consists of 875 units with a total capital investment of about Rs. 3 crores. The industry is largely concentrated at Ludhiana where 805 units are located. [Paragraph 5(b) and (c)]

(ii) Knitting needles are not made in India. Early steps should be taken to encourage their manufacture in the country. [Paragraph 5(c)]

(iii) The Ludhiana industry has at present no facilities for 'woolindras' treatment. The 'woolindras' plants in some of the woollen mills, however, have spare capacity which can be utilised for processing the hosiery articles manufactured by the Ludhiana industry. Government should assist the industry to come to suitable arrangement with the mills concerned for this purpose. [Paragraph 5(c)]

(iv) The total production of woollen hosiery in India is estimated at 37.83 lakh lbs. in 1949, 27.57 lakh lbs. in 1950 and 20.22 lakh lbs. in 1951. [Paragraph 7]

(v) The domestic demand for woollen hosiery in the immediate future is estimated at about 40 lakh lbs. [Paragraph 9]

(vi) The Indian hosiery industry has captured practically the whole of the domestic market for the cheaper grades of the woollen hosiery which form the bulk of domestic consumption. The quality of the indigenous product in these grades is satisfactory. [Paragraph 10]

(vii) The State Governments concerned should give all possible assistance to this important cottage industry in modernising its equipment and adopting improved processes of manufacture. [Paragraph 10]

(viii) When standard specifications are formulated, adequate steps should be taken to secure their adoption by the hosiery units, many of whom are small and probably unaccustomed to standardised methods of production. [Paragraph 10]

(ix) The hosiery industry has, now available from domestic sources, sufficient quantity of hosiery yarn of coarse counts for its present and future requirements. As regards medium counts, the domestic supply is now adequate to meet the present demand of the hosiery industry, but it is difficult to state on the basis of the available evidence the extent to which the spinning mills will be able to meet

an increased demand for medium counts. The spinning mills are now able to meet the requirements of the hosiery industry for fine counts to a substantially larger extent than they were hitherto. Some imports of fine counts will, however, be required until some of the new spinning mills come into regular production. [Paragraph 11(a) (ii)]

(x) Owing to the abnormal fluctuations in world prices of wool and the unstable conditions of demand from the hosiery industry, the spinning industry in India has not been able to utilise its full capacity. A clearer picture of the capacity of the local mills to meet the domestic demand for hosiery yarn of different counts will emerge only when trading conditions become more stable than they are at present. [Paragraph 11(a) (ii)]

(xi) Those spinning mills which do not have proper arrangements for the selection and testing of their raw materials should institute such arrangements as early as possible. [Paragraph 11(a) (iii)]

(xii) The spinning industry should explore the possibility of setting up a Central Conditioning House for testing samples of wool tops and yarn. [Paragraph 11(a) (iii)]

(xiii) For the reasons given in Paragraph 11(d), the import duty on woollen hosiery yarn should not be reduced for the present. The question may be reconsidered when world prices of wool and woollen yarn attain some measure of stability and the spinning mills which have been set up recently have had sufficient time to consolidate their position. [Paragraph 11(d)]

(xiv) A careful watch should be maintained over the prices of woollen hosiery yarn and if there is evidence of any undue rise in the prices of such yarn which is likely to have serious repercussions on the production and employment in the woollen industry, the question of reducing the import duty on such yarn should be taken up for urgent consideration. [Paragraph 11(d)]

(xv) The Federation of Woollen Manufacturers should take suitable steps to ensure that prices of woollen hosiery yarn produced by its member mills are maintained at a reasonable level. [Paragraph 11(d)]

(xvi) The difficulties experienced by the hosiery industry in competing with woollen mills are due to a variety of factors explained in Paragraph 12, and cannot, therefore, be wholly attributed to the fact that the mills obtain their yarn at lower cost. [Paragraph 12]

(xvii) As a cottage industry which has demonstrated its ability to face competition with the large-scale industry, the hosiery industry deserves all possible encouragement. The mills should co-operate with Government in promoting the development of this industry. [Paragraph 12]

(xviii) Government orders for hosiery goods should be placed with knitters to the maximum extent possible and all possible assistance should be given to knitters in overcoming their difficulties in conforming to Government specifications. [Paragraph 12]

(xix) The woollen hosiery industry does not need protection against foreign competition. [Paragraph 15]

(xx) In negotiating any trade agreements with the neighbouring countries, the desirability of securing facilities for the export of Indian hosiery goods to those countries should be kept in view. [Paragraph 16(a)]

(xxi) The Punjab Government should make special efforts to encourage the growth of co-operative societies among the knitters at Ludhiana. [Paragraph 16(b)]

18. We wish to express our thanks to the representatives of manufacturers, importers and consumers, who furnished us with valuable information and tendered evidence before us. Our thanks are due to the Ludhiana Hosiery Industry Federation and the Federation of

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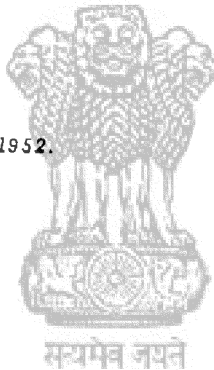
G.L. Mehta,
Chairman.

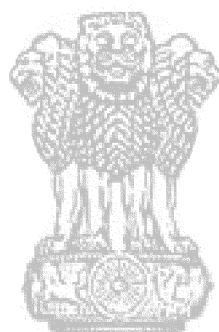
B.V. Narayanaswamy,
Member.

B.N. Adarkar,
Member.

D.K. Malhotra,
Secretary.

Bombay,
dated the 30th June, 1952.





सत्यमेव जयते

APPENDIX I
(Vide paragraph 1)

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE

New Delhi, the 14th October, 1950.

RESOLUTION
(Tariffs)

No. 1-T/A(7)/49.- In pursuance of paragraphs 2 and 7 of their Resolution in the Department of Commerce No. 218-T(55)/45, dated the 3rd November, 1945, and paragraph 4 of their Resolution bearing the same number, dated the 16th February, 1946, the Government of India have decided to refer to the Tariff Board for investigation applications for assistance or protection received from the following industries, namely,

- (i) Hosiery,
- (ii) Electric fans.

2. In conducting its enquiries the Board will be guided by the principles laid down in paragraph 5 of the Resolution, dated the 3rd November, 1945, referred to in paragraph 1 above.

3. Firms or persons interested in any of these industries or in industries dependent on the use of these articles, who desire that their views should be considered by the Tariff Board, should address their representations to the Secretary to the Board, Contractor Building, Nicol Road, Ballard Estate, Bombay 1.

Sd./- S. Ranganathan,
Joint Secretary to the Government of India.

APPENDIX II
(Vide paragraph 1)

No.1-T/A(7)/49,
Government of India,
MINISTRY OF COMMERCE AND INDUSTRY.

New Delhi, the 22nd February, 1951.

From

W.A. Rose, Esquire,
Under Secretary to the Government of India.

To

The Secretary,
Indian Tariff Board,
Contractor Building, Nicoll Road,
Ballard Estate, BOMBAY.

Subject:- Reference of hosiery and electric fans industries
to the Tariff Board for investigation.

Sir,

1.

2. The scope of the enquiry into the hosiery industry
by the Tariff Board should be restricted to the woollen
hosiery industry as this branch of the industry only has
applied for protection or assistance.

Yours faithfully,

Sd./- W.A. ROSE,
Under Secretary to the Government of India.

APPENDIX III

[Vide paragraph 3(a)]

List of persons and bodies to whom questionnaires were addressed and from whom replies or memoranda were received.

(* Those who replied to the questionnaire or sent memoranda).

I. PRODUCERS:

(A) Hosiery Manufacturers:

- * 1. The Ludhiana Hosiery Industry Federation, Ludhiana.
- * 2. The Hosiery Manufacturers' Association, Ludhiana.
- 3. Pursharthi Hosiery and Weaving Association, Ludhiana.
- 4. Civil Hosiery Manufacturers' Association, Ludhiana.
- 5. Hosiery Workmen Manufacturers' Association, Ludhiana.
- 6. Millowners Association, Ludhiana.
- 7. The Bharat Hosiery Manufacturers' Association, Ludhiana.
- 8. Home Hosiery Manufacturers' Association, Ludhiana.
- 9. Northern India Hosiery Manufacturers' Corporation, "
- 10. Cottage Hosiery Manufacturers' Association, Ludhiana.
- 11. Hosiery Factory Lessees, Ludhiana.
- 12. Employers' Association of Northern India,
14/77, Civil Lines, Kanpur.
- 13. Jockey Hosiery Mills, Bazar Sabanaon, Amritsar.
- * 14. Bombay Hosiery Manufacturers' Association,
105, Chakla Street, Bombay 3.
- * 15. Bengal Hosiery Manufacturers' Association,
20, Beadon Street, Calcutta 6.
- 16. Ramson Knitting Mills,
Ramson Gardens, Chromepet, South India.
- 17. Fiberknit Corporation, Gamdevi P.O.
- 18. Association of Indian Industries,
Industrial Assurance Building, Churchgate, Bombay.
- 19. Shree Jam Hosiery Works Ltd.,
91, Godhbunder Road, Borivili, Bombay.
- 20. Cawnpore Textiles Ltd., P.B. No. 68, Kanpur.
- 21. Viswabharath Industrials, P.O. Pallikunnu, North Malabar.
- 22. K.B. Industries,
Forjett Street Cross Lane, Gowalia Tank, Bombay 26.

I. PRODUCERS: (Contd.)

(A) Hosiery Manufacturers: (Contd.)

23. Fine Hosiery Mills Ltd.,
Industrial Area, Azamabad, Hyderabad.
24. Menora Hosiery Works Ltd.,
Ruby Terrace, Opp. 3rd Pasta Lane, Colaba Causway,
Bombay 6.
- * 25. Paradise Hosiery Factory,
254, Masjid Bunder Road, Bombay 3.
26. Amritsar Surendra Hosiery Mills, Rutlighar, Amritsar.
27. Dewachand & Company, Ludhiana.
28. Hardip Hosiery Mills, Ludhiana.
29. Hemar Hosiery Factory, Hoshiarpur.
30. Vijay Lakshmi Hosiery Mills, Ludhiana.
31. Adarsha Silpa Kutir,
51, Kantapukur, 3rd Lane, South Bantra, Howrah.
32. Bangalakshmi Hosiery Mills,
58-1A, B.T. Road, Calcutta 2.
33. Bannari Hosiery Factory,
1, Raja Gurudas Street, Calcutta.
34. Basanti Hosiery Mills, 7, Marcus Square, Calcutta.
35. Durga Hosiery, 29-B, Durga Charan Mitter Street,
Calcutta 6.
36. C.S. Emporium, 47-A, Chittaranjan Avenue, Calcutta.
37. Hari Hosiery Factory, 18 & 19 Dobson Road, Howrah.
38. Indu Hosiery Mills Ltd., 9 Royal Exchange Place, Calcutta.
39. Juggilal Kamalpet Hosiery Factory, Post Belur, Howrah.
40. Kussum Hosiery Mills,
81, Talpukur Road, Beliaghata, Calcutta.
41. Millan & Company,
109 & 110, Khangraputty Street, Calcutta.
42. Model Knitting Industries,
8, Royal Exchange Place, Calcutta.
43. Patel Hosiery Mills,
7, Ahiripukur Road, Ballygunge, Calcutta.
44. Rasak Hosiery Mills, 1-D 32, Ezra Street, Calcutta.
45. Sait Hosiery Mills, 32, Ezra Street, Calcutta.
46. Shree Ram Hosiery Mills, 75, Burtolla Street, Calcutta.
47. Shyam Hosiery & Spinning Mills,
171-A, Harrison Road, Calcutta.

I. PRODUCERS: (Contd.).

(A) Hosiery Manufacturers: (Contd.).

48. Textile Industries,
81, Old China Bazar Street, Calcutta.
49. Behar Knitting Factory,
Mangalpura Street, Guzri Bazar, Patna City.
50. Bihar Hosiery Factory, 203, Harrison Road, Calcutta.
51. Shree Hanuman Hosiery Mills, Kishanganj, Purnea.
52. Borivili Hosiery Mills,
63, Champagully, M.J. Market, Bombay 2.
53. Eastern Hosiery Works, Chowpatty Road, Bombay 7.
54. Gujarat Hosiery Factory, Rakhiyal Road, Ahmedabad.
55. Katrak Hosiery Works, 167, Lamington Road, Ahmedabad.
56. Ladhawala Hosiery Factory, 449, Kanakaria Road, Ahmedabad.
57. Shanti Hosiery Works, New Cotton Mills (No. 1),
Kankaria Road, Ahmedabad.
58. Southern Knitting Works, 234, Shanwar Peth, Poona 2.
59. Western Hosiery & General Mills, 142, Teliwara, Delhi.
60. Chenoli Factory, Cannanore, Malabar, South India.
61. Commercial Textile Corporation, Cannanore, Malabar, S.I.
62. Oriental Knitting Factory, 26-390, Selvapuram, Coimbatore.
63. Premier Hosiery Works, Calicut, Malabar, South India.
64. Universal Knitting Works, Coimbatore, South India.
65. Ahlewelia Hosiery Factory, Ludhiana, East Punjab.
66. Ransillal, S.M. & Co., Ludhiana, East Punjab.
67. Charan Hosiery Mills, Ludhiana, East Punjab.
68. R.N. Chopra & Sons, Chopra Buildings, Ludhiana, East Punjab.
69. Fazalbhoy Indian Textiles, Hospital Road, Ludhiana, E.P.
70. Girson Knitting Works, P.O. Girson, Ludhiana, East Punjab.
71. Glorious Knitting & Weaving Mills, Ludhiana, East Punjab.
72. International Textile Mills, Purnea Bazar, Ludhiana. E.P.
73. Ludhiana Dayalbagh Hosiery Mills, Ludhiana, East Punjab.
74. H.R. Luxman & Company, Karmaon Deohri, Amritsar.
75. Nationals, National Mansions, Nationals Road, Ludhiana.
76. New Egerton Woollen Mills, Dhariwal, Gurudaspur, E.P.
77. Punjab Kesari Hosiery Factory, Khanna, Ludhiana, E.P.
78. Rai Bahadur Knitting Works, Ludhiana, East Punjab.
79. Star Hosiery Works, Quadian, Gurudaspur, East Punjab.

I. PRODUCERS: (Contd.)

(A) Hosiery Manufacturers: (Contd.)

80. Laxmi Swadeshi Hosiery Factory, Ajmer, Rajputana.
81. Agra Hosiery Mills & Company, Agra, U.P. of Agra & Oudh.
82. Baco Singh Hosiery Works, Kanpur.
83. Benaras Hosiery, Thatheri Bazar, Benaras.
84. Benaras Knitting Factory, 40, Bhelupura, Benaras.
85. Dayalbagh Hosiery Mills, Dayalbagh, Agra.
86. Misra Hosiery Mills, P.O. Box No. 254, Kanpur.
87. Narayana & Company, Meston Road, Kanpur.
88. Pucka Hosiery Mills, P.O. Box No. 160, Civil Lines, Kanpur.
89. Standard Mills (Allahabad), 48, Ranimandi, Allahabad.
90. Kanodia Knitting Works, Khetri, Jaipur State.
91. Mayurbhanj Textiles, Baripada, Mayurbhanj State.
92. H.G. Misra & Company, Kanpur.
93. Swastik Industries, Portbander, Saurashtra.
94. Banares Hosiery Works, Chowkluams, Benares.
95. Paddy Hosiery, Gaighat, Benares.
96. Commonwealth Hosiery Factory, Balmatta, Mangalore, South Kanara.
97. Malabar Pioneer Hosiery Ltd., Calicut, Malabar.
98. Aysha Hosiery Factory, Kuthuparamba, Malabar.
99. Madura Knitting Company, Madura.
100. Bharat Knitting Works, Coimbatore.
101. S.P. Palani Chettiar & Sons, Banian Factory, Gugai, Salem.
102. V.M. Kandaswamy Chetty & Navakoti Narayan Chetty Factory, Gugai, Salem.
103. Bhagwati Hosiery Mills, Bhagalpur, Bihar.
104. Nandan Hosiery Factory, Monghyr.
105. Dhanda Hosiery Mills, Ludhiana.
106. Madan Hosiery Factory, Ludhiana.
107. Thapper Hosiery Mills, Ludhiana.
108. Banariwala Hosiery Mills, Ludhiana.
109. Mohini Hosiery Factory, Ludhiana Swadeshi Karyalaya, Ludhiana.
110. Pearl Hosiery Factory, Ludhiana.
111. Bawani Hosiery Mills Ltd., Ludhiana.
112. Sund Hosiery Factory, Ludhiana.

I. PRODUCERS: (Contd.)

(A) Hosiery Manufacturers: (Contd.)

113. Ganesh Hosiery Mills, Ludhiana.
114. Jullundur Hosiery Factory, Ludhiana.
115. Windsor Hosiery Mills, Ludhiana.
116. Shiv Hosiery Factory, Ludhiana.
117. Talwar Knitting Works, Ludhiana.
118. Suttlej Hosiery Mills, Ludhiana.
119. Kishore Hosiery Factory, Ludhiana.
120. Marjara Hosiery Mills, Ludhiana.
- *121. Swadeshi Manufacturing Syndicate, Ludhiana.
122. Berry Bros. Hosiery Mills, Ludhiana.
123. Mela Ram Labhu Ram, Ludhiana.
124. Kulwant Hosiery Works,
Ludhiana Charan Hosiery Factory, Ludhiana.
125. Sahman Hosiery Factory, Ludhiana.
126. Jain Bimal Hosiery Factory, Ludhiana.
127. Prabhat Hosiery Works, Jullundur City.
128. Mahindra Hosiery Factory, Jullundur City.
129. Braham Hosiery Factory, Amritsar.
130. Jandiala Hosiery Works, Amritsar.
131. Punjab Hosiery Works, Amritsar.
132. Hema Hosiery & Textile Mills, Bhab Khatikan, Amritsar.
133. Hero Knitting Works, Joshipur, Amritsar.
134. Sunder Hosiery Works, Amritsar.
135. Modern Hosiery Works, Dhobiwadi, Thakurdwar Road, Bombay.
136. Fine Knitting Co. Ltd., Channadamada, Ahmedabad.
137. Laxmi Vijaya Hosiery Factory, Naroda Road, Ahmedabad.
138. Mehboob Knitting Works, Kalumpur, Ahmedabad.
139. Ramani Hosiery Works, Ahmedabad.
140. Kishore Hosiery Works, Madhubai Colony, Ahmedabad.
141. Shanti Hosiery Works, New Cotton No. 1 Mill Compound,
Ahmedabad.
142. Sri Ambika Hosiery Works, Ahmedabad.
143. Bharat Knitting Works Ltd., Poona City.
144. Thana Hosiery Works, Parwati Bhavan, Seth Motilal Road,
Thana, Bombay.

I. PRODUCERS: (Contd.)

(A) Hosiery Manufacturers: (Contd.)

145. Hosiery Knitting Mills Ltd., Delhi.
146. Nehru Hosiery Mills, Delhi.
147. Western Hosiery Factory Ltd., Delhi.
148. Aggarwal Hosiery Mills, Delhi.
149. Delhi Hosiery Mills, Delhi.
150. Jamma Hosiery Mills, Delhi.
151. Asoka Hosiery, Delhi.
152. Prakash Hosiery Mills, Hinganghat, Wardha.
153. Sreepati Hosiery Mills, 12, Grant Lane, Bowbazar P.O., Calcutta.
154. Jhanapukur Hosiery Factory, 3 & 5 Brojonath Mitter's Lane, Amherst Street P.O., Calcutta.
155. Bhuratunta Hosiery Mills, 21, Muktarām Babu Street, P.O. Barabazar, Calcutta.
156. Veena Hosiery and Industries Ltd., 2, Bhur Lane, P.O. Beadon Street, Calcutta.
157. Kapoor Hosiery Factory Ltd., 8, South Sinthee Road, P.O. Cossipore, 24 Parganas.
158. Bharat Lakshmi Hosiery Mill, 4, Beltola Road, Kalighat P.O., 24 Parganas.
159. Kidderpore Hosiery Mills, 2, Ashu Babu Lane, Kidderpore, 24 Parganas.
160. Kothari Hosiery Mills, 24 Chaulpatty Road, Belliaghata, 24 Parganas.
161. Model Knitting Industries Ltd., 6/1, Munshiganj Road, P.O. Manshatalla (Kidderpore), 24 Parganas.
162. Industries Corporation of Bengal Ltd., 60/1, Hazra Road, P.O. Ballygunge, 24 Parganas.
163. Kalighat Hosiery Factory, 231, Rash Behari Avenue, P.O. Ballygunge, 24 Parganas.
164. Bengal Hosiery Mills, 90/1, Hazra Road, P.O. Kalighat, 24 Parganas.
165. Banga Lakshmi Hosiery Mills, 58-A, Barrackpore Trunk Road, P.O. Cossipore, 24 Parganas.
166. India Hosiery Mill, 216 & 223, Manicktolla Main Road, P.O. Narkeldanga, 24 Parganas.
167. Juggilal Kamlapet Hosiery Factory, 15, Grant Trunk Road, P.O. Belur Math, Howrah.
168. Mahabir Hosiery Mills, 8, Kali Majumdar Road, P.O. Ghusray, Howrah.

I. PRODUCERS: (Contd.)

(A) Hosiery Manufacturers: (Concl'd.)

169. Narayan Hosiery Mills, 108/1, Banaras Road, Salkia, Howrah.
170. Parjoar Hosiery Mills Ltd., Kumarpara, P.O. Lillooah, Howrah.
171. Indu Hosiery, 97/99, Haraganj Road, Salkia, Howrah.
172. Hari Hosiery Factory, 8-1, Harduttarai Khamaria Road, P.O. Dobson Road, (Sub-office), Howrah.
173. Pabna Silpa Sanjibani Co. Ltd., Pabna.
174. Ramakrishna Hosiery Factory, Pabna.
175. Haribar Hosiery Mill, Jackson Road, Pabna.
176. Radha Govind Hosiery Mills, Pabna.
177. Pabna Anukul Hosiery Factory, Himaitpur, P.O. Satsang, Pabna.
178. Swastic Industries Ltd., Hosiery Works, Porbander, Western India States.
179. Harisindhi Hosiery Works, Dhrol, Kolhapur & Deccan States.
180. Shaha and Company, Akalkot.
181. Kashmir Knitting Co., Jammu, Kashmir.
182. Raj and Company, Jammu, Kashmir.
183. Malwas Hosiery Factory, Ujjain, Gwalior.
184. Trilok Hosiery Mills Ltd., Gwalior.
185. Jayajirao Cotton Mills Ltd., Hosiery Department, Gwalior.
186. Indore Hosiery Factory, Indore.
187. Mahajan Brothers, Indore.
188. Mahadeo Hosiery Factory, Indore City.
189. Quality Knitting Works, Indore City.
190. Fine Hosiery Factory, Mahbubki-Mahandi, Hyderabad.
191. Deccan Knitting Works, Zeera, Secunderabad, Hyderabad City.
192. Mayurbhanj Textiles Ltd., Baripada, Mayurbhanj.
193. Minerva Hosiery Mills, Phagwara, Kapurthala.
194. Jaipur Textiles Ltd., Jaipur West, Jaipur.
195. Maheshwari Hosiery, Jaipur City.
196. Shri Govind Industries Ltd., Alwar.
197. Deshbandu Hosiery Factory, 110-A, Garpar Road, 24 Parganas.
198. Southern Knitting Works, 264 & 264 D Shanwarpeth, Poona 2.
199. The Bombay Hosiery Works, Mogul Lane, Lady Hardinge Road, Matunga, Bombay 16.

1. PRODUCEES: (Contd.)

(B) Woollen Mills:

1. The Federation of Woollen Manufacturers in India, T.K. Building, Ballard Estate, Bombay.
2. I.K. Woollen Manufacturers (Bajinath Bankey Behari Lal Woollen Mills), Anwarganj, Cawnpore.
- * 3. Cawnpore Woollen Mills Co., Civil Lines, Cawnpore.
- * 4. E. Sefton & Co. Ltd., Mirzapur.
- * 5. Allahabad Woollen Mills, Allahabad.
6. Sri Laxmi Woollen Carding Spinning and Weaving Works, Bukshipur, Gorakhpore.
- * 7. New Egerton Woollen Mills, Dhariwal, Gurdaspur.
8. Government Woollen Finishing Centre, Panipet, Karnal.
9. Raj Woollen Industries, Panipet, Karnal.
- * 10. Indian Woollen Textile Mills, Chheharta, Amritsar.
11. Amritsar Swadeshi Woollen Mills, Amritsar.
12. Indian Woollen & Silk Mills, Amritsar.
13. Oriental Carpet Manufacturing Co. Ltd., Chheharta, Amritsar.
14. Parabhao Woollen & Silk Mills, Chheharta, Amritsar.
15. Punjab Woollen Mills, Chheharta, Amritsar.
16. Varindra Textile Mills, Amritsar.
17. Raj Spinning Mills, Amritsar.
18. Hindustan Rayon & Woollen Mills Ltd., Chheharta, Amritsar.
19. Forquews Woollen and Textile Mills, Amritsar.
- * 20. Wool Waste Co., Chheharta, Amritsar.
21. Shree Radha Textile Mills, Amritsar.
22. United Woollen Mills, Hide Market, Amritsar.
23. National Spinning and Weaving Mills, Hide Market, Amritsar.
24. Indian Textile Finishing Mills, G.T. Road, Amritsar.
25. Hansa Cloth and General Mills, Verka, Amritsar.
26. Kailash Finishing Textile Mills, Chheharta, Amritsar.
- * 27. Panipet Woollen Mills, Kharar, Ambala.
28. Government Wool Teasing, Carding and Finishing Centre, Kulu, Kangra.
29. Usha Woollen Mills, Bhawani Shankar Road, Dadar, Bombay.
- * 30. Nagpal Woollen Mills, Reay Road, Bombay.
- * 31. Raymond Woollen Mills, Panchpakhadi, Thana.

I. PRODUCERS: (Contd.)

(B) Woollen Mills: (Contd.)

32. Shree Dinesh Mills Ltd., Baroda City.
- * 33. Digvijay Woollen Mills, Jamnagar.
- * 34. Bombay Fine Worsted Manufacturing Co., Agra Road, Thana, Bombay.
- * 35. Central Jail (Woollen Spinning Factory), Ballary.
- * 36. Bhagalpur Central Jail Works, Bhagalpur, Bihar.
37. Shree Karan Singh Woollen Mills Ltd., Srinagar.
38. All India Spinners' Association, Srinagar.
39. Shah Weaving Factory, Srinagar.
40. Tej Industries, Hardware, Baramulla.
41. All India Spinner Association, Handwara.
42. Shri Mahalaxmi Woollen and Silk Mills Ltd., Yeshwanthpur, Bangalore.
43. The Bangalore Woollen, Cotton & Silk Mills Ltd., Bangalore.
44. Sheikhwati Woollen Products, Fatehpur, Jaipur.
- * 45. Shree Mahalaxmi Woollen Mills, 15-A, Elphinstone Circle, Fort, Bombay.
46. Government Woollen Mills Ltd., Shirin Bagh, Srinagar.
- * 47. The Eastern Woollen Mills Ltd., Bhawanishankar Road, Dadar, Bombay.
48. B.K. Subbayah & Sons, Seshadripuram, Mallaswaram, Bangalore.
- * 49. Vohra Textile Mills, Krishan Nagar, Amritsar.
50. Moolchand Jankidas Woollen Weaving Mills, Ramtirth Road, Amritsar.
51. Ahmed Abdul Karim Bros. Ltd., (Ahmedwalla Mills Ltd.), P.B. No. 3093, Karim Buildings, Mohammed Ali Road, Bombay
52. Khushi Ram Dwarakanath Weaving Mills, Lawrence Road, Amritsar.
53. The Amritsar Rayon & Silk Mills Ltd., P.O. Box No. 20, Amritsar.
54. The Bharat Udhar Cloth Manufacturing Co., Post Box No. 51, The Mandi Gate, Amritsar.
55. Bharat Woollen Mills Ltd., 11, Esplanade East, Calcutta.
56. The Bombay Woollen Mills Ltd., Wakefield House, Sprott Road, Ballard Estate, Bombay.

I. PRODUCERS: (Concl'd.)

(B) Woollen Mills: (Concl'd.)

57. Haryana Woollen & General Mills Ltd., Panipet, (E.P.).
58. Model Woollen Mills, Verka, Amritsar.
59. R.L. Parkash Co., G.T. Road, Amritsar.
60. Hira Woollen Mills, Amritsar.
61. Kalyan Textile Mills, Amritsar.
62. Maharaj Weaving Mills, Amritsar.
63. Nathamal Durgadas Weaving Mills, Amritsar.
64. Balakram Balkrishan Mills, Amritsar.
65. Dehl Textile Mills, Amritsar.
66. Beri Textile Mills, Putligarh, Amritsar.
- *67. Oswal Woollen Mills, Ludhiana.

II. IMPORTERS OF WOOLLEN HOSIERY:

1. Western Shop, Carnal Road, Bombay.
2. Rallis (India) Ltd., 21, Ravelin Street, Fort, Bombay.
3. Army & Navy Stores Ltd., Mahatma Gandhi Road, Fort, Bombay.
4. W.J. Baker, Florence House, Merewether Road, Apollo Bunder, Bombay.
5. Beanforts Ltd., 25, Churchgate Street, Fort, Bombay.
6. Evans Fraser & Co. (India) Ltd., Fort House, Hornby Road, Fort, Bombay.
7. Laffans (India) Ltd., Rustom Buildings, Churchgate Street, Bombay.
8. (Geo. I) Robson & Co., 141, Mahatma Gandhi Road, Fort, Bombay.
9. Chunilal Mulchand & Co., Waterloo Mansions, Mayo Road, Museum, Bombay.
10. Whiteaway Laidlaw & Co. Ltd., Hornby Road, Fort, Bombay.
11. Bombay Presidency Trades Association, 6, Rampart Row, Fort, Bombay.
12. M. Jeevanlal & Co. Ltd., 50, Princess Street, Bombay.
13. Virchand Tarachand & Co., 272, Narzi Lata Street, Bombay.
14. Indravadan & Brothers, 453-57, Kalbadevi Road, Bombay.
15. N. Nausata & Co., 165, Lohar Chawl, Bombay 2.
16. K. Virzi & Co., 8, Elphinstone Circle, Bombay.
17. Chaturchuj Baichand bai & Co., 48, Churchgate Street, Bombay.

II. IMPORTERS OF WOOLLEN HOSIERY: (Contd.)

18. Haji Mohamed Abdulla & Co., 101, Chekla Street, Bombay 3.
19. Gokalchand Manchand & Co., L. Gokalchand Market, Amritsar.
20. K. Hassaram & Co., Nen Gill Bazar, Kalbadevi Road, Bombay 2.
21. Kishinchand Chellaram (India) Ltd.,
Gazeer House, Dhobi Talao, Bombay 2.
22. Biddle Sanyer & Co., Das Chambers, 25, Dalal Street,
Bombay 1.
23. N. Manseta & Bros., 165, Lohar Chawl, Bombay 2.
24. J.K. Parri, 10, Karim Chambers, Hamam Street, Fort,
Bombay.
25. W.R. Hildreth & Co., 45, Stephen House, Dalhousie Square,
Calcutta.
26. Siddrisar Sen & Co. Ltd., 33, Canning Street, Calcutta.
- *27. Hall Anderson Ltd., 31, Chowringhee Road, Calcutta.
- *28. Jeewan Baksh Jan, 76, Colootalla Street, Calcutta.
29. Abdulla Noosa, Hassam Building, Furniture Bazar, Bombay 3.
- *30. Papatlal Golabhai & Co., 104, Chakla Street, Bombay.
31. N.D. Havy & Co., Carnac Road, Bombay.
32. Grahams Trading Co. (India) Ltd., Calcutta.
33. Rovachand Motumal & Sons, Bombay.
34. Colah & Co., Victoria Building, Bazargate Street, Bombay.
35. M. Pramroze & Co., 210, Hornby Road, Bombay.
36. Peter & Fernandes, Bennet House, Apollo Street, Bombay.
37. D.J. Rivetna, Cooks Building, Hornby Road, Bombay.
- *38. M.A. Husein, Laxmi Building, Sir P.M. Road, Bombay.
39. India Sports, Barely.
- *40. Anglo Thai Corporation Ltd., Ewart House, Bruce Street,
Bombay.

III. CONSUMERS:

1. The Secretary to the Government of India,
Ministry of Defence, New Delhi.
- * 2. The Inspector General of Police, East Punjab, Simla.
- * 3. The Inspector General of Police, U.P., Lucknow.
- * 4. The Inspector General of Police, Kashmir & Jammu State,
Srinagar.
5. The Inspector General of Police, Assam, Gauhati.
6. The Inspector General of Police, Delhi.

III. CONSUMERS: (Contd.)

- * 7. The Inspector General of Police, Poona, Bombay State.
- 8. The Inspector General of Police, PEPSU, Patiala.
- * 9. The Inspector General of Police, West Bengal, Calcutta.
- *10. The Controller of Stores, East Punjab Railway, Simla.
- *11. The Controller of Stores, East Indian Railway, Calcutta.
- *12. The Controller of Stores, R.B. & C.I. Railway, Bombay.
- *13. The Controller of Stores, G.I.P. Railway, Bombay.
- 14. The Controller of Stores, B.N. Railway, Calcutta.
- *15. The Controller of Stores, Assam Railway, Koliaghat, Calcutta.
- 16. The Controller of Stores, South Indian Railway, Madras.
- 17. The Director General of Post and Telegraph, New Delhi.
- *18. Director General of Supplies and Disposals, Government of India, New Delhi.
- *19. The General Manager, Bombay State Transport, Worli, Bombay.

IV. PROVINCIAL GOVERNMENTS:

- * 1. Director of Industries, Government of East Punjab, Jullunder.
- * 2. Director of Industries, Government of West Bengal, Calcutta.
- * 3. Director of Cottage Industries, Government of U.P., Kanpur.
- * 4. Director of Industries, Government of Bombay, Bombay.
- 5. Director of Industries, Government of Madras, Madras.
- 6. Director of Industries, Government of Assam, Shillong.
- 7. Director of Industries, Government of Bihar, Patna.
- 8. Director of Industries, Government of Madhya Pradesh, Madhya Pradesh.
- 9. Director of Industries, Government of Orissa, Cuttack.
- 10. The Chief Secretary to the Government of the United State of Vindhya Pradesh, Rewa.
- 11. The Chief Secretary to the Government of Madhya Bharat, Gwalior.
- 12. The Chief Secretary to the Government of Mysore, Bangalore.
- *13. The Chief Secretary to the Government of Hyderabad, Hyderabad (Dn.).
- 14. The Chief Commissioner, Himachal Pradesh, Simla.

IV. PROVINCIAL GOVERNMENTS: (Contd.)

15. The Chief Commissioner, Bilaspur.
- *16. The Chief Commissioner, Delhi.
17. The Chief Commissioner, Tripura, Agartthala.
18. The Chief Commissioner, Manipur.
- *19. The Chief Secretary to the Government of Saurashtra Union, Rajkot.
20. The Chief Secretary to the Government of the United State of Rajasthan, Jaipur.
- *21. The Chief Secretary to the Government of PEPSU, Patiala.
22. The Chief Secretary to the Government of United States of Travancore and Cochin, Trivandrum.
23. The Chief Secretary to the Government of Jammu and Kashmir, Srinagar.
24. The Chief Commissioner, Kutch, Bhuj.
25. The Chief Commissioner, Bhopal.
26. The Chief Commissioner, Ajmer Merwara, Ajmer.
27. The Chief Commissioner, Cooch Bihar.
28. The Chief Commissioner, Coorg, Mercara.
- *29. The Principal Hosiery Institute, Ludhiana.

V. INDIAN TRADE REPRESENTATIVES ABROAD:

- * 1. Commercial Adviser to the High Commissioner for India in the U.K., London.
- * 2. Commercial Secretary to the Indian Embassy in France, France.
- * 3. Commercial Second Secretary, Embassy of India, Belgium.
4. The Economic Adviser, Indian Mission to the Allied High Commission for Germany, Hamburg, Germany.
5. First Secretary (Commercial), Embassy of India, Prague.
- * 6. Commercial Secretary, Legation of India, Switzerland.
- * 7. Commercial Councillor, Embassy of India, Rome, Italy.
8. Vice-Consul-Cum-Attache, Legation of India in Austria, Vienna, Austria.
9. First Secretary, Legation of India, Stockholm, Sweden.
10. First Secretary, Legation of India, Lisbon, Portugal.
- *11. Consul General of India in New York, New York.
12. Consul General of India, San Francisco.
- *13. Commercial Councillor to the High Commissioner for India in Canada, Toronto, Canada.

V. INDIAN TRADE REPRESENTATIVES ABROAD: (Contd.)

14. Commercial Second Secretary to the Embassy of India, Buenos Aires, Argentine.
- *15. Indian Government Trade Commissioner, Australia.
- *16. Indian Government Trade Commissioner, New Zealand.
17. Indian Government Trade Commissioner for East Africa and Belgian Congo, Mombassa, East Africa.
18. Commercial Secretary to the Embassy of India in Egypt, Cairo.
19. Vice-Consul for India, Philippines.
- *20. Indian Liaison Mission, Tokyo.
- *21. Consul General of India, Shanghai, China.
22. Commercial Attache, Legation of India, Baghdad.
23. Commissioner for the Government of India, Aden.
24. Commercial Secretary to the Embassy of India in Iran, Iran.
25. Secretary (Commercial) to the High Commissioner for India in Ceylon, Ceylon.
26. Commercial Secretary, Legation of India, Bangkok.
27. India Government Trade Commissioner, Singapore.
28. First Secretary (Commercial), Embassy of India in the United States of Indonesia, Djakarta.
29. Commercial Secretary, Embassy of India, Burma.
- *30. Indian Government Trade Commissioner, Karachi, Pakistan.
- *31. Assistant Indian Trade Commissioner, East Pakistan.
32. Cultural Attache to the Embassy of India in Afghanistan, Kabul, Afghanistan.
- *33. Commercial Attache, Embassy of India, Turkey.

VI. CHAMBERS OF COMMERCE:

- 60 recognised Chambers were addressed for a general memorandum on the industry and for their views on the application for protection.

VII. TRADE ASSOCIATIONS:

- 19 recognised Trade Associations and the Bombay Presidency Traders Association were addressed for a general memorandum on the industry and for their views on the application for protection.

VIII. IMPORTERS OF WOOLLEN YARN:

- * 1. M/s. Hazarat and Company, People's Building,
Sir P.M. Road, Bombay 1.
- 2. M/s. N.D. Mehta & Co., Amritsar.
- 3. M/s. Walaitram Jaishriram, Amritsar.
- 4. M/s. Kundanlal Ramlal, 55, New Silk Bazar, Bombay 2.
- 5. M/s. Santram & Sons, Amritsar.
- * 6. M/s. Gurdial Nairandas & Co., Patel Building,
New Silk Bazar, Bombay 2.
- * 7. M/s. A.S. Kay & Co. Ltd., Great Social Building,
Sir P.M. Road, Bombay.
- * 8. M/s. Sahkalchand G. Shah & Co. Ltd., Hanuman Building,
Tambakanta, Bombay 3.
- 9. M/s. Gokulchand Rattanchand, Amritsar.
- 10. M/s. Bajaj Brothers Ltd., Round Building, Kalbadevi Road,
Bombay 2.
- 11. M/s. Omprakash Durgadas, 470-472, Kalbadevi Road, Bombay 2.
- *12. M/s. R.D. Agarwal & Co., Amritsar.
- *13. M/s. Gore & Co., Great Social Building, Sir P.M. Road,
Bombay 1.

IX. OTHERS:

- * 1. Ministry of Relief & Rehabilitation, Government of India,
New Delhi.
- * 2. The Cottage Industries Directorate, Ministry of Commerce
& Industry, New Delhi.
- 3. The Textile Manufacturers Association, Amritsar.
- 4. The All India Manufacturers' Organisation,
Industrial Assurance Building, Churchgate, Bombay.
- * 5. M/s. Kalsi Mechanical Works, Sarahwal, Nandpur, Ludhiana.

APPENDIX IV

[Vide paragraph 3(b)]

List of persons who attended the public inquiry on 17th and 18th April, 1952 and gave evidence.

Note:- *Attended the inquiry on 17th April, 1952 only.

**Attended the inquiry on 18th April, 1952 only.

Sl.No.	Name of person	Representing
(A) PRODUCERS OF WOOLLEN HOSIERY AND WOOLLEN HOSIERY YARN:		
1. Mr. D.D. Bhan	}	The Ludhiana Hosiery Industry Federation, Ludhiana.
2. Mr. H.R. Dhanda		
3. Mr. Hari Dutt		
4. Mr. Gian Chand		
5. Mr. S.R. Mital		The Bombay Hosiery Manufacturers' Association, 105, Chakla Street, Bombay 3.
6. Mr. Nandlal More	}	The Federation of Woollen Manufacturers in India, J.K. Building, Dougall Road, Ballard Estate, Bombay.
7. Mr. U.G. Puthli		
8. Mr. R.P. Hollock		
9. Mr. Tulsidas Nagpal		
10. Mr. Futnani		
11. Mr. A.W. Tatlow		The Cawnpore Woollen Mills, Kanpur and The New Egerton Woollen Mills, Dhariwal.
12. Mr. A.M.I. Portelli**		The Bombay Woollen Mills Ltd., Wakefield House, Spratt Rd., Ballard Estate, Bombay.
(B) IMPORTERS OF WOOLLEN HOSIERY YARN:		
13. Mr. Pravir V. Hazarat		M/s. Hazarat & Co., Peoples' Building, 3rd Floor, Sir P.M. Road, Bombay 1.
14. Mr. Sankalchand G. Shah		M/s. Sankalchand G. Shah & Co. Ltd., Hanuman Building, Tambakanta, Bombay 3.

Sl.No. Name of person

Representing

(C) IMPORTERS OF WOOLLEN HOSIERY:

- | | |
|-----------------------------|--|
| 15. Mr. B.B. Motivala | M. Framroze & Co.,
Taj Building,
210, Hornby Road, Bombay 1. |
| 16. Mr. M.A. Taleyarkhan | The Anglo-Thai Corporation Ltd.,
Ewart House, Bruce Street,
Bombay 1. |
| 17. Mr. W.S. Macer | The Bombay Presidency Trades
Association Ltd.,
6, Rampart Row, Fort, Bombay. |
| 18. Mr. Manharilal J. Seth* | M/s. Popatlal Ghelabhaida,
102-104, Chakla Street,
Bombay. |
| 19. Mr. St. Anne** | M/s. Whiteaway Laidlaw & Co.,
Hornby Road, Bombay. |
| 20. Miss F.K. Colah | M/s. Colah & Co.,
Victoria Building,
Parsee Bazar Street, Bombay 1. |

(D) CONSUMERS:

- | | | |
|---|---|---|
| 21. Mr. S.N. Das Gupta,
Deputy Director of
Inspection (Textiles),
Bombay. | } | The Directorate General of
Supplies & Disposals,
Shahjahan Road, New Delhi. |
| 22. Mr. Randhir Singh,
Assistant Director of
Inspection, D.G. of
Supplies & Disposals,
New Delhi. | | |
| 23. Mr. M.C. Wagh,
Dy. Commissioner of Police,
Bombay. | | The Inspector General of
Police, Poona. |

(F) OFFICIALS:

- | | |
|---|---|
| 24. Dr. T.G. Shirname*,
Agricultural Marketing
Adviser to the Government
of India. | Ministry of Food & Agricul-
ture (Agriculture),
New Delhi. |
| 25. Mr. M.N. Kale | Development Wing (Wool Direc-
torate), Ministry of Commerce
& Industry, Shahjahan Road,
New Delhi. |
| 26. Mr. D.N. Savlur,
Textile Expert. | The Directorate of Industries,
Old Custom House Yard,
Fort, Bombay. |
| 27. Mr. Vadnavkar,
Principal Appraiser. | The Collector of Customs,
New Custom House, Bombay. |

APPENDIX VI

[Vide paragraph 11(a) (ii)]

PRODUCTION OF HOSIERY YARN BY WOOLLEN SPINNING MILLS

(In lbs.)

Name of Mill	Production			Internal Consumption			Balance available for sale		
	1949	1950	1951	1949	1950	1951	1949	1950	1951
1. The Camptore Woollen Mills, Kanpur	10,77,455	8,23,451	2,24,124	10,77,455	8,23,451	2,24,124	Nil	Nil	Nil
2. The New Egerton Woollen Mills, Bombay.	57,008	1,33,918	50,210	44,039	1,51,018	64,573	Not sold	Not sold	Not sold
3. The Raymond Woollen Mills, Bombay.	2,28,160	3,55,310	1,83,853	2,28,160	78,424	75,781	Nil	2,78,886	1,18,172
4. The Mahalaxmi Woollen Mills, Bombay.	2,33,700	1,53,100	1,41,230	2,33,500	1,42,900	62,000	200	10,200	79,200
5. M/s. Ahmed Woollen Mills, Bombay.	3,80,000	6,48,000	3,81,861	Nil	Nil	Nil	3,80,000	6,48,000	3,81,861
6. M/s. Nagpal Woollen Mills, Bombay.	2,77,469	4,10,537	4,97,766	Nil	Nil	Nil	2,77,469	4,10,537	4,97,766
7. M/s. Bharat Woollen Mills, Bombay.	2,50,000	3,50,000	50,000	-	-	-	2,50,000	3,50,000	50,000
8. M/s. Oswal Woollen Mills, Ludhiana.	Nil	1,43,011	1,36,940	Nil	Nil	Nil	Nil	1,46,011	1,36,940
9. M/s. Bombay Woollen Mills, Bombay.	Nil	2,04,048	2,46,876	Nil	Nil	Nil	Nil	2,04,048	2,46,876
10. Digvijay Woollen Mills, Jarnagar.	Nil	Nil	40,000	Nil	Nil	Nil	Nil	Nil	40,000
Total:-	25,03,793	32,54,373	19,52,919	15,82,154	11,93,793	4,26,478	9,07,639	20,47,882	15,50,704

APPENDIX VII

[Vide paragraph 11(a) (iv) (a)]

STATEMENT SHOWING THE QUANTITY AND VALUE OF WOOLLEN YARN IMPORTED INTO INDIA

Year	Worsted yarn for weaving			Knitting wool			Other sorts			Total		Imports from U.K.		Imports from Japan		Exports from other countries	
	Qty. (Lakh lbs.)	Value (Lakh Rs.)		Qty. (Lakh lbs.)	Value (Lakh Rs.)		Qty. (Lakh lbs.)	Value (Lakh Rs.)		Qty. (Lakh lbs.)	Value (Lakh Rs.)	Qty. (Lakh lbs.)	Value (Lakh Rs.)	Qty. (Lakh lbs.)	Value (Lakh Rs.)	Qty. (Lakh lbs.)	Value (Lakh Rs.)
1	2	3	4	5	6	7	8	9				10	11	12	13	14	15
1948-49	7.65	85.72	9.16	78.16	2.40	10.25	19.21	154.13	11.68	89.84	1.91	10.83	5.72	53.66			
1949-50	11.18	86.81	6.41	36.79	11.83	69.73	29.42	192.33	12.28	83.71	12.83	97.69	4.31	30.83			
1950-51	7.68	87.08	.80	8.94	.42	2.96	9.08	106.96	1.49	13.74	1.73	24.54	5.86	70.68			
1951-52 (10 months) (April 1951 to January 1952)	23.02	145.81	1.08	17.97	.097	.534	24.20	164.41	2.09	17.85	1.63	34.98	21.48	111.63			

Note:- As for the exact definition for the above varieties of yarn, the Collector of Customs, Bombay, has stated as follows:-

- (i) Knitting wool includes yarn for hand knitting as well as machine knitting.
- (ii) Worsted yarn which is used for the manufacture of woollen piecegoods or worsted fabrics is classified as weaving yarn.
- (iii) Woollen yarn other than worsted yarn which is in the nature of knitting wool used for hand knitting or in the manufacture of hosiery is classified as knitting wool.
- (iv) Woollen yarn prepared out of waste wool, i.e., shoddy wool which is manufactured from all unfair quality of wool, mostly oily or greasy, and which is used for the manufacture of guts of cricket balls is classified as yarn and knitting wool other sorts.

APPENDIX VIII
(Vide paragraph 12)

STATEMENT SHOWING PARTICULARS OF ORDERS PLACED BY THE DIRECTOR GENERAL OF SUPPLIES AND DISPOSALS
FOR WOOLLEN HOSIERY REQUIRED FOR DEFENCE SERVICES

	By numbers			By weight in lbs.			By value in Rs.		
	Mills	Knitters	Total	Mills	Knitters	Total	Mills	Knitters	Total
1949	2	3	4	5	6	7	8	9	10
Socks and stockings (In Pairs)	765,262	175,292	940,554	255,087	58,431	313,518	17,05,518	3,23,509	20,29,025
Jerseys	74,766	30,000	104,766	72,152	45,000	117,152	5,48,555	2,45,073	7,93,628
Hosetops (In Pairs)	1,010	-	1,010	337	-	337	1,500	-	1,500
TOTAL:	-	-	-	327,576	103,431	431,007	22,55,571	5,68,582	28,24,153
1950	561,953	85,505	647,458	193,984	28,502	222,486	15,05,708	3,86,278	18,91,986
Socks and stockings (In Pairs)	82,031	4,817	86,848	123,046	7,226	130,272	7,75,501	73,342	8,48,843
Jerseys	119,039	-	119,039	39,480	-	39,480	2,67,270	-	2,67,270
Hosetops (In Pairs)	-	-	-	356,710	35,728	392,438	25,48,479	4,59,620	30,08,099
TOTAL:	-	-	-	401,905	130,095	532,000	40,93,283	12,28,801	53,22,084
1951	1,205,716	390,284	1,596,000	401,905	130,095	532,000	40,93,283	12,28,801	53,22,084
Socks and stockings (In Pairs)	20,841	347,957	368,798	31,262	521,936	553,198	3,92,018	40,37,547	44,19,565
Jerseys	9,300	50,012	59,312	3,100	18,671	21,771	19,326	2,16,048	2,35,374
Hosetops (In Pairs)	-	-	-	436,267	670,702	1,106,969	44,94,627	54,82,398	99,77,025
TOTAL:	-	-	-	436,267	670,702	1,106,969	44,94,627	54,82,398	99,77,025

APPENDIX IX
(vide paragraph 14)

STATEMENT GIVING THE C.I.F. PRICES AND LANDED COSTS OF IMPORTED WOOLLEN Hosiery ARTICLES

1	2	3	4	5	6	7	8
Source of information	Origin of imports	Date of import	Type and specification	C.I.F. price Rs. As. Ps.	Customs duty Rs. As. Ps.	Clearing charges Rs. As. Ps.	Landed cost Rs. As. Ps.
				Per dozen			
1. Collector of Customs, Bombay.	U.K.	8-10-1950	Men's half hose 95% wool 9 1/2" 9 1/4" to 10 1/4"	19 12 0	5 14 10	(30%)	
	U.K.	8-11-1950	Men's woollen socks 9 1/2" 9 1/4" to 10 1/4"	28 13 0	8 10 4	(30%)	
			Men's knitted wool scarves.	67 4 0			
			Maids' number 24"	56 8 0			
			28"	62 14 0			
			28"	68 8 0			
			Maids' cardigans 22"	63 0 0			
			24"	68 0 0			
			26"	76 0 0			
					30%		
			Infants knitted wear				
			Jersey Suit				
			12" a	67 4 0			
			12" b	56 8 0			
			14" c	64 0 0			
			Cardigans				
			11"	43 0 0			
			13"	61 2 0			
			16"	61 4 0			
			18"	50 8 0			
			Jerseys				
			Lumber Jackets	46 8 0			
			Jumpers				
			11"	40 6 0			
			13"	49 1 0			

1	2	3	4	5	6	7	8
Collector of Customs, Bombay. (Continued).	U.K.	9-11-1950	Pran sats 12" (helmets) 12" (pixie) 14" (pixie) Matinee coats	75 5 0 73 5 0 82 1 0 101 10 0	30%		
	U.K.	11-8-1951	Men's slippers	32" 102 10 0 34" 107 10 0 36" 114 6 0	31½%		
	U.K.	18-6-1951	Malvest size A B 2- 80 12 0 58 8 0 3- 92 2 0 59 14 0 4- 103 6 0 83 4 0 5- 115 0 0 87 8 0 6- 128 12 0 70 0 0 7- 144 8 0 74 0 0 8- 158 12 0 79 8 0		31½%		
			Infant vest	65 4 0			
			Jackets	12" 53 14 0 14" 80 3 0			
			Cardigans	12" 79 6 0 14" 89 13 0			
			Booties	12" 10 8 0 14" 11 4 0			
	U.K.	21-6-1951	Men's golf hose 10", 10½" & 11". Knitted gloves size 2 to 5.	17 8 0 26 2 0	31½%		

1	2	3	4	5	6	7	8
1. Collector of Customs, Bombay. (Continued).	U.K.	Jan. 1952	Woollen knitted wear				
			Pram coat	12"	8 9 8		
				14"	10 0 0		
			Pram set	12"	8 0 0		
				14"	18 0 0		
				13"	14 0 0		
			Cardigans	20"	8 9 0		
				22"	8 0 0		31½
				24"	8 8 0		
			Jumper	22"	7 4 0		
				24"	7 14 0		
				26"	8 4 0		
				28"	9 3 0		
			Jumper Jacket	20"	7 0 0		
				22"	8 2 0		
				24"	8 8 0		
				26"	9 0 0		31½
				28"	10 0 0		
				30"	10 8 0		
				32"	13 0 0		
	U.K.	Feb. 1952	Woollen knitted wear		2 4 0		31½
			Slipover.				
			Woollen woven apparel		2 1 0		31½
			Woven mufflers.				
	U.K.	March '52	Woollen half hose		3 4 0		31½
			" coat blankets		10 0 0		31½
			2.5" x 4.4".				
			" Berets		0 12 0		31½
			" Ankle socks		1 1 0		31½

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1	2	3	4	5	6	7	8
2. Collector of Customs, Madras.	U.K. March '51	Men's slippers		14 0 0 (each)			
		Ladies Jumpers		13 12 0			
		" Cardigans		14 6 0 to			
				85 0 0			
		Men's swim suits		8 12 0 to	31½		
				12 14 0			
		Boys' socks		5 0 0 to			
				6 0 0			
		Half hose		32 8 0 to			
				84 0 0			
				(Per dozen)			
				Per dozen			
		Slipover veen-sett		130 8 0	31½		
		Men's knitted wool		108 0 0	31½		
		vests 34" (RN 34")					
		Men's knitted wool		112 0 0	31½		
		vests 34" (RN 38")					
		Men's knitted wool		114 0 0	31½		
		vests 38" (RN 38")					
		Men's knitted wool		142 0 0	31½		
		Frox 34" (RN 34")					
		Men's knitted wool		148 0 0	31½		
		Frox 36" (RN 36")					
		Men's knitted wool		180 0 0	31½		
		Frox 38" (RN 38")					
		Men's knitted wool		172 0 0	31½		
		Frox 40" (RN 40")					
3. Collector of Customs, Calcutta.	U.K.	17- 5-51 15-12-51					

1	2	3	4	5	6	7	8
Collector of Customs, Calcutta. (Continued).	U.K.	15-12-1951	Gent's knitted pure Cashmir slippers VIV (34" to 40"). Men's Viyellar Ankle Socks (9½" to 12").	56 0 0 (each) 52 12 0 (dozen)	31½% 31½%		
4. N. Framroze & Co., Bombay.	U.K.	1939	1 doz. men's all wool ½ hose.	6 5 6 (25%)	1 9 6 (31½%)	0 1 3	8 0 3
	U.K.	1951	1 doz. men's all wool ½ hose.	53 11 9	10 10 0 (25%)	0 6 2	44 12 3
	U.K.	1939	1 doz. men's all wool undershirt 36".	34 5 9	8 10 6 (31½%)	0 6 0	43 6 9
	U.K.	1951	1 doz. men's all wool undershirts 36".	154 5 0	48 10 0	0 12 0	203 11 0
5. Foratalal Ghelabhai & Co., Bombay.	U.K.	3- 9- 1948	Jaegar socks	30 6 0 per dozen	9 0 0	4 10 0	44 0 0
	U.K.	27-10-1948	Men's wool khaki golf hose No. RB5.	28 6 0	7 12 0	4 2 0	38 4 0
	U.K.	21-10-1948	All wool vests NSSW	30 4 0	9 0 0	3 8 0	42 12 0
	U.K.	21-10-1948	All wool vests 15" to 20".	16 14 0	4 14 0	2 3 0	23 15 0

LIST OF REPORTS OF THE INDIAN TARIFF BOARD

I. TARIFF INQUIRIES

(A) NEW CASES

1. Sodium thiosulphate, sodium sulphite (anhydrous) and sodium bisulphite (1946).	PTB 158
2. Bichromates (1946).	PTB 157
3. Phosphates and phosphoric acid (1946).	PTB 156
4. Butter colour and aerated water powder colour (1946).	PTB 154
5. Calcium chloride (1946).	PTB 153
6. Coated abrasives (other than grinding wheels) (1946).	PTB 159
7. Hurricane lanterns (1946).	PTB 152
8. Cocoa powder and chocolate (1946).	PTB 155
9. Wood screws (1946).	PTB 97
10. Bicycles (1946).	PTB 100
11. Caustic soda and bleaching powder (1946).	PTB 88
12. Antimony (1946).	PTB 94
13. Sewing machines (1946).	PTB 101
14. Aluminium (1946).	PTB 90
15. Steel baling hoops (1946).	PTB 87
16. Preserved fruits (1946).	PTB 145
17. Non-ferrous metals (1946).	PTB 146
18. Cotton textile machinery (ring frames, spindles and spinning rings) (1947).	PTB 111
19. Rubber manufactures (1947).	PTB 110
20. Sodium and potassium metabisulphites (1947).	PTB 105
21. Alloy tool and special steel (1947).	PTB 118
22. Sodium sulphide (1947).	PTB 102
23. Electric motors (1947).	PTB 112
24. Dry battery (1947).	PTB 115
25. Plywood and teachests (1947).	PTB 113
26. Cotton and hair belting (1947).	PTB 121
27. Starch (1947).	PTB 103
28. Glucose (1947).	PTB 104
29. Chloroform, ether, sulphuric p.b. and anaesthetic and potassium permanganate (1947).	PTB 109
30. Fire hose (1947).	PTB 120
31. Steel belt lacing (1947).	PTB 119
32. Ferro-silicon (1947).	PTB 116
33. Oleic acid and stearic acid (1947).	PTB 117
34. Machine tools (1947).	PTB 114
35. Wire healds (1948).	PTB 123
36. Pickers (1948).	PTB 125

37. Motor vehicle batteries (1948).	PTB 122
38. Hydraulic brake fluid (1948).	PTB 123
39. Bobbins (1948).	PTB 128
40. Slate and slate pencils (1949).	PTB 129
41. Expanded metals (1949).	PTB 130
42. Cotton textile machinery (ring frames, spindles, spinning rings and plain looms) (1949).	PTB 167
43. Small tools (1949).	PTB 149
44. Plastics (1949).	PTB 160
45. Soda ash (1949).	PTB 165
46. Glass and glassware (1950).	PTB 174
47. Sterilised surgical catgut (1950).	PTB 184
48. Liver extract (1950).	PTB 185
49. Fountain pen ink (1950).	PTB 188
50. Pencils (1950).	PTB 187
51. Fine chemicals (1950).	PTB 182
52. Sago (1950).	PTB 186
53. Belt fasteners (1950).	PTB 189

(B) REVIEW CASES

(Continuance of Protection)

1. Iron and steel manufactures (1947).	PTB 106
2. Paper and paper pulp (1947).	PTB 108
3. Cotton textile manufactures (1947).	PTB 98
4. Sugar (1947).	PTB 107
5. Magnesium chloride (1948).	PTB 121
6. Silver thread and wire (1948).	PTB 126
7. Bicycles (1949).	PTB 131
8. Artificial silk (1949).	PTB 132
9. Sericulture (1949).	PTB 133
10. Alloy tool and special steel (1949).	PTB 136
11. Sodium thiosulphate, sodium sulphite and sodium bisulphite (under section 4(1) of the Tariff Act) (1949).	PTB 140
12. Calcium chloride (1949).	PTB 148
13. Grinding wheels (under section 4(1) of the Tariff Act) (1949).	PTB 141
14. Hurricane lanterns (under section 4(1) of the Tariff Act) (1949).	PTB 144
15. Sugar (1949)	PTB 134
16. Preserved Fruits (1949)	PTB 143
17. Coated abrasives (under section 4(1) of the Tariff Act) (1949).	PTB 147
18. Antimony (1949).	PTB 161
19. Phosphates and phosphoric acid (1949).	PTB 164